

BILL NO. R-96-12-16

RESOLUTION NO. R- 88-96

**A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, APPROVING THE COUNCIL'S PARTICIPATION IN AN INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING WITH OTHER LOCAL PUBLIC AGENCIES TO FUND INFRASTRUCTURE IMPROVEMENTS IN SOUTHWEST ALLEN COUNTY.**

**WHEREAS**, the economic development opportunities possible in Southwest Allen County would be significantly enhanced by the financing and construction of several public water, sanitary sewer and highway improvements; and

**WHEREAS**, the financing and construction of these improvements will necessitate the participation and cooperation of several local public agencies; including the Allen County Redevelopment Commission, the Board of Commissioners of Allen County, the Allen County Council, the Fort Wayne Board of Public Works, the Fort Wayne Redevelopment Commission, the Mayor of Fort Wayne, the Fort Wayne Common Council, and the Fort Wayne-Allen County Airport Authority; and

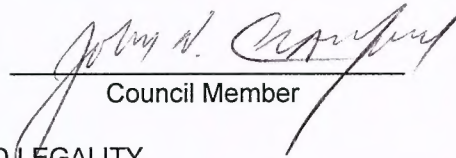
**WHEREAS**, an Intergovernmental Memorandum of Understanding has been prepared which outlines the historical background, the needed infrastructure improvements, potential mechanisms for the financing of said improvements and a series of suggested policies and objectives for each of the participating agencies; and

**WHEREAS**, the Common Council of the City of Fort Wayne finds that the potential economic benefits to this community warrant using its best efforts to fulfill the policies and objectives outlined in the Intergovernmental Memorandum of Understanding for the Council.

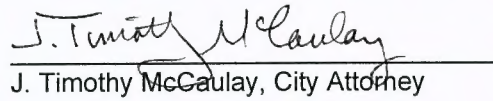
**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:**

**SECTION 1.** The Common Council of the City of Fort Wayne, Indiana, hereby approves its participation in and signatory to an Intergovernmental Memorandum of Understanding to fund infrastructure improvements in Southwest Allen County, said Memorandum being attached hereto and made a part hereof.

**SECTION 2.** That this Resolution shall remain in full force and effect from and after its passage and any and all necessary approval by the Mayor.

  
Council Member

APPROVED AS TO FORM AND LEGALITY

  
J. Timothy McCaulay, City Attorney



## INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING

This Intergovernmental Memorandum of Understanding made effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 1996 by the Allen County Council, Allen County Redevelopment Commission, Board of Commissioners of Allen County, Indiana, City of Fort Wayne Board of Public Works, Common Council of the City of Fort Wayne, Fort Wayne-Allen County Airport Authority and Mayor, City of Fort Wayne.

### RECITALS

A. Since the economic downturn of the early 1980's, the community has been successful in attracting new companies and facilitating the expansion of existing companies. Major new business locations include Aeroquip, Cadillac Coffee, Central Fine Pack, General Motors, Ingram Distribution, N.D. Tech, Ryder, and Fleet Services. Major expansion projects include Coca Cola, ITT/SINGCARS, Nestle, Power Wheels, WaterFurnace, and most recently General Motors.

B. This success was a direct result of a unified effort at all levels of government as well as the private sector. The City of Fort Wayne and Allen County aggressively pursued federal and State grants to capitalize low-interest loan programs, develop an industrial park, and extend infrastructure. Both local units of government used tax abatement and Industrial Revenue Bonds (IRBs) as financial inducements. The Chamber of Commerce spearheaded a major fund drive that, at the time, raised more money than any other Chamber of Commerce in the country.

C. The community's success in attracting new companies and aiding in the expansion of existing companies since the early 1980's has depleted most of the development ready industrial sites including the additional industrial parks that were developed during this time.

D. This situation is confirmed by the recently completed study by Thorne Consultants on industrial land needs in the community. Thorne states that there will be a demand for more than 800 acres of industrial land through 2005. Even though the community has an inventory 1,199 acres of land in industrial parks, only 405 acres are currently developable.

E. Besides having an inadequate inventory of ready to develop industrial sites, the community has not kept pace with changes in the site selection and development process and economic development financing.

F. The community has taken the approach that if a company is interested in a piece of property, the community will commit to rezoning the property and facilitating all the approvals necessary to allow construction on the property.

E. Besides having an inadequate inventory of ready to develop industrial sites, the community has not kept pace with changes in the site selection and development process and economic development financing.

F. The community has taken the approach that if a company is interested in a piece of property, the community will commit to rezoning the property and facilitating all the approvals necessary to allow construction on the property.

G. Given the time constraints typically associated with a company looking to open a new operation or expand an existing one, companies generally will first look for an existing facility that suits its needs. If a company needs to construct a new facility, it wants property that is appropriately zoned, serviced by adequate public water and sewer, and has an established price.

H. With all of the competition between communities for a limited number of new projects, offering only a piece of farm ground as a site puts a community at a competitive disadvantage.

I. In the area of economic development financing, the community has taken the "If you locate here, we will commit to extending the infrastructure and work with the Indiana Department of Commerce and other local units of government to fund the infrastructure extensions.

J. Since the early 1980's the community has relied on federal and state grant programs for infrastructure financing while typically using city utility funds as the local match. Several of the federal grant programs no longer exist and the community no longer qualifies for those that do. The Indiana Department of Commerce has reduced its participation in financing infrastructure from 75 % to 25% of a project's cost. In addition, the primary source of the local match is no longer available. There has been a definite shift in financing infrastructure from the federal and state level to the local level.

K. Locally, the community has traditionally favored the use of Tax Increment Financing (TIF) over either of the local option income taxes-County Option Income Tax (COIT) and County Economic Development Income Tax (CEDIT) or the direct use of property taxes through a general obligation bond to finance infrastructure for economic development projects.

L. TIF is preferred because the revenue to fund infrastructure costs for a project is based on the increase in assessed value from the project area unlike General Obligation Bonds, CEDIT and COIT which are taxes on the property or incomes of the community's citizens. A negative side of TIF, especially in cases where a project is receiving tax abatement is there is no increment in the first few years so the interest must be capitalized or cash from another source must be used to make the first few bond payments.



M. With an unemployment rate of 3.7% in Allen County as of April 1996, the local economy is viewed as healthy, and therefore there is no sense of urgency to improve the community's inventory of developable industrial land. However, the community has, in recent times, faced opportunities to further its economic base that it could not capitalize on for lack of adequate developable industrial property.

N. The first such opportunity occurred in 1991-1992 when the U.S. Postal Service was looking for a site for its hub sorting facility. Based on a point system, the community was ranked second as a result of a lack of proper zoning and an inadequate infrastructure.

O. The Nestle distribution facility could have been the next project to locate elsewhere as a result of a lack of available sites. Fortunately, the Nestle development had the time to go through the rezoning and Economic Development Area designation processes, and did not require tax abatement. Unlike the Postal Service Project, Nestle was a significant business retention project. The community would have lost several well-paying jobs if Nestle decided to relocate.

P. Since Nestle's location at the intersection of I-469 and Bluffton Road, there have been several inquiries regarding properties in the airport area. In January of 1995, the community had the opportunity to be the location of a Best Buy distribution facility. Again, as a result of a lack of appropriate zoning and infrastructure, the community was runner-up to Findlay, Ohio. Earlier this year, the community was a finalist for a Harley Davidson motorcycle assembly operation that would have created over 500 jobs paying in excess of \$12.00 per hour. There is a continuing interest in this area as a location for new and/or expanding businesses.

Q. An ad hoc group of city economic, redevelopment, utilities and board of works departments, county economic development and transportation planning staff, and the Chamber of Commerce has been meeting in an attempt to address the issue of a lack of development ready industrial sites and come up with solutions that put the community in a better position to capitalize on the aforementioned opportunities.

R. Based on the Thorne Consultant's study, recent prospect activity, and recent public and private investments, the group focused on the airport area. The area is more specifically defined as the Southwest Allen County Land Use Study area. That study is an amendment to both the City of Fort Wayne Comprehensive Plan and the Allen County Comprehensive Plan.

S. Water engineering and sewer engineering staff developed a list of projects required in order to alleviate deficit capacity and/or provide increased capacity while transportation planners identified major road projects required to increase accessibility to the area.

T. Since it was determined that the use of TIF would be the primary revenue stream to finance the infrastructure improvements, the city and county redevelopment staffs identified areas that should be designated for that purpose.

U. The next logical step was identifying which infrastructure projects could be funded by each designated TIF area. Certain projects could be funded by any of the designated areas while other projects were specific to one designated area.

V. Assigning projects that could only be funded through a specific tax increment financing area to that geographic area left those projects that could be funded by more than one of the designated districts.

W. The concept was that the location of new developments would in part determine which infrastructure projects would be undertaken.

X. The announcement by General Motors that it was going to construct a new body shop presented an opportunity to provide funding for the Dalman Road extension and various water and sewer projects.

Y. The Tuthill development and future developments on and/or near the airport provides additional opportunities to address infrastructure projects in the southwest area.

Z. The parties desire to enter into an understanding to identify the infrastructure projects to be constructed, the public board, council, or commission responsible for such construction, and the methods of financing such construction.

## UNDERSTANDING

It is understood by all parties that the provision of infrastructure to support continued development in the southwest Allen County area cannot be accomplished by any one public entity, but rather will require a cooperative and coordinated effort by all of the parties to this understanding. Since each party to the understanding has unique powers and political jurisdictions, it is agreed that the obligations of each party to this understanding are as follows:

1. **DEFINITIONS.** The following words and phrases shall have the meanings stated unless a different meaning is clearly indicated by the context:

1.1 **"Air Trade Center".** The Fort Wayne International Air Trade Center located in the Southwest Quadrant of the Fort Wayne International Airport for aeronautical related commercial businesses and tenants, owned and operated by the Fort Wayne-Allen County Airport Authority.

1.2 **"Airport Development Commission".** A three member body from the



Fort Wayne-Allen County Airport Authority that administers the Airport Development Zone.

1.3 **“Airport Development Zone”**. An area to be identified by the Fort Wayne-Allen County Airport Authority through its Airport Development Commission (I.C. 8-22-3.5) for a qualifying aeronautical development project to provide specific economic benefits for the community.

1.4 **“Ardmore Avenue Extension”**. This project is a new road to be constructed from its current intersection at Lower Huntington Road south to the existing Dalman Road. This project was first proposed in 1971 and included in the Fort Wayne-Allen County Year 1990 Transportation Plan and each subsequent Transportation Plan. This project is detailed in the Fort Wayne-Allen County Year 2015 Transportation Plan and depicted on the map in **Attachment A**.

1.5 **“Baer Field Plan”**. A plan that serves as the basis for the City of Fort Wayne Redevelopment Commission designating approximately 1,000 acres of land on the north and south side of Dalman Road between Smith Road and Bluffton Road as an Economic Development Area and allocation area for the purpose of using Tax Increment Financing. A copy of the plan is included as **Exhibit A**.

1.6 **“Bluffton Road East Plan”**. A plan that serves as the basis for the Allen County Redevelopment Commission designating a 240 acre area at the northeast corner of Bluffton and Pleasant Center Roads as an Economic Development Area and allocation area for the purpose of using Tax Increment Financing. A copy of the Plan is included as **Exhibit B**.

1.7 **“Board of Commissioners”**. The three member administrative and legislative body of Allen County legally known as the Board of Commissioners of the County of Allen, Indiana.

1.8 **“Board of Commissioners Economic Development Fund”**. A fund capitalized by a previous Indiana Department of Commerce Investment Incentive Program (IIP) grant. This \$1.7 million grant was loaned to All America City Investors as one-half of the construction cost for the ITT Sincgars facility. The note was subsequently discounted and the Board of Commissioners received approximately \$659,000.00.

1.9 **“Board of Public Works”**. A three member administrative body appointed by the Mayor that oversees the operations and contracts of the Fort Wayne City Utilities and the various civil city departments involved in road improvements, drainage, and other infrastructure related activities.

1.10 **“City”**. Collectively the Board of Public Works, Common Council of the City of Fort Wayne, Fort Wayne Redevelopment Commission, and Mayor

1.11 **“City Council”**. The nine member elected fiscal and legislative body of the City of Fort Wayne legally known as the Common Council of the City of Fort Wayne.

1.12 **“City Redevelopment Commission”**. A five member commission three of which are appointed by the Mayor of Fort Wayne two of which are appointed by the city council and duly constituted under Indiana Code 36-7-14 et. Seq.

1.13 **“Community Trust Fund”**. A fund established by the city council in 1975 to account for a portion of the proceeds received from a private utility leasing the assets of the electric utility.

1.14 **“County”**. Collectively the Board of Commissioners, Allen County Council, and the Allen County Redevelopment Commission.

1.15 **“County Council”**. The seven member elected fiscal body of Allen County, Indiana, legally known as the Allen County Council.

1.16 **“County Redevelopment Commission”**. A five member commission appointed by the Board of Commissioners and duly constituted under Indiana Code 36-7-14 et.seq.

1.17 **“Dalman Road Extension”**. This project is a new road to be constructed from its current intersection at Smith Road to the I-69/Lower Huntington Road interchange. This project was first proposed in 1985 and included in the Fort Wayne-Allen County Year 1990 Transportation Plan and each subsequent Transportation Plan. This project is detailed in the Fort Wayne-Allen County Year 2015 Transportation Plan and depicted on the map in **Attachment B**.

1.18 **“Economic Development Area (EDA) designation”**. The designation approved by the redevelopment commission of a local unit of government that allows the redevelopment commission to construct public improvements in or serving the area.

1.19 **“Economic Revitalization Area (ERA) designation”**. The designation approved by the fiscal body of a local unit of government that enables the property owner(s) to file for tax abatement on the increase in assessed value of real property improvements and/or new manufacturing equipment.

1.20 **“Fort Wayne-Allen County Airport Authority”**. The six member board, which owns and operates all properties associated with the Fort Wayne International Airport and Smith Field Airport located within Allen County as established under I.C. 8-22-3-1.1.

1.21 **“General Motors Plan”**. A plan that serves as the basis for the Allen County Redevelopment Commission designating the General Motors property located at the



northwest intersection of I-69 and I-469 as an Economic Development Area and allocation area for the purpose of using Tax Increment Financing. A copy of the Plan is included as **Exhibit C**.

1.22 **"Grants and/or loans"**. Any source of monies available to fund infrastructure costs identified in the Baer Field Plan, Bluffton Road East Plan, and the General Motors Plan. These grants/loans may include, but not be limited to grants and loans from the Indiana Department of Commerce, federal programs, investor-owned utilities, railroads, not-for-profit entities, and other local sources of revenue.

1.23 **"I-469/Bluffton Road Plan"**. A plan that serves as the basis for the Allen County Redevelopment Commission designating an area on the north and south side of Pleasant Center Road between Bluffton Road and Coverdale Road as an Economic Development Area for the purpose of using Tax Increment Financing. A copy of the Plan is included as **Exhibit D**.

1.24 **"Light Lease Revenues"**. Electric utility lease revenue derived from the 1975 lease of the city electric utility to American Electric Power.

1.25 **"Mayor"**. Chief elected official of the City of Fort Wayne, Indiana.

1.26 **"Sewer Projects"**. Sewer improvements that have been identified as being required to address deficit capacity situations and/or increase capacity in the southwest Allen County area. These projects are identified along with a cost estimate in **Attachment B** and a map with the corresponding projects is included as **Attachment C**.

1.27 **"Tax Increment Financing (TIF)"**. A method for financing public infrastructure improvements using the taxes generated from the increase in assessed value of a designated area to cover the cost of the infrastructure improvements.

1.28 **"Tax Abatement Development Fund"**. A fund established for the Allen County Council that is a non-reverting fund and is solely capitalized by petitioners for ERA designations who voluntarily contribute 20% of their savings from tax abatement to the **Allen County Council** for the purpose of funding various economic development activities.

1.29 **"Urban Development Action Grant (UDAG) Fund"**. A fund capitalized by loan payments received from PowerWheels and Essex that were loaned by the City from the UDAG program. This fund is under the control of the Mayor.

1.30 **"Utility Funds"**. Money available from the city utilities that the Board of **Public Works** can use to offset the infrastructure costs in the Baer Field Plan, Bluffton Road East Plan, General Motors Plan, and the I-469/Bluffton Road Plan.

1.31 **"Water Projects"**. Water improvements that have been identified as being required to either provide improved service to the entire southwest Allen County area or

that are needed to provide and/or improve service to specific properties in the southwest Allen County area. These projects are listed along with an engineer's cost estimate in **Attachment B** and are shown on the map in **Attachment D**.

2. **FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY OBLIGATIONS.** The Fort Wayne-Allen County Airport Authority shall use its best efforts to do the following:

2.1 Begin infrastructure and access development projects for the Fort Wayne International Air Trade Center.

2.2 Identify a qualified economic development project to locate within the Airport Development Zone.

2.3 Airport Development Commission shall be established by the Airport Authority Board for all developments to locate in the Airport Development Zone.

2.4 Airport Development Commission shall formally identify the geographic boundaries of the Airport Development Zone and shall present the Airport Development Zone for formal approval by the County Commissioners and/or the Mayor of the City of Fort Wayne.

2.5 After receiving all requisite approvals, the Airport Development Commission shall establish the Airport Development Zone as a special taxing district.

2.6 All Tax Incremental Financing revenues derived from any project locating in the Airport Development Zone shall be used to, in part or in total, defray all or a portion thereof the cost of infrastructure projects required for or serving the Airport Development Zone.

3. **BOARD OF COMMISSIONER'S POLICIES.** The Board of Commissioners' policies with respect to this understanding shall be to use its best efforts to:

3.1 Support and approve the pledging of one or more local revenue sources including, but not limited to, the County Economic Development Income Tax or Commissioner's Economic Development Fund as a guarantee, when necessary, for the issuance of a Tax Increment Financing Bond by the County Redevelopment Commission to fund infrastructure projects identified in the Bluffton Road East, General Motors Plan, and/or I-469/Bluffton Road Plan.

3.2 Support and approve using one or more local revenue sources including, but not limited to, the County Economic Development Income Tax or Commissioner's Economic Development Fund to loan, when applicable, to the County Redevelopment Commission to cover the cost of infrastructure projects identified in the Bluffton Road East Plan,



General Motors Plan, and/or the I-469/Bluffton Road Plan. until a TIF revenue stream is adequate to repay the loan.

3.3 Support and approve using one or more local revenue sources including, but not limited to, the County Economic Development Income Tax to meet debt service on initial TIF bond payments in situations where using capitalized interest will not allow the proceeds of the TIF bond to cover the cost of the new infrastructure projects for specific new developments.

3.4 Direct the county's economic development staff to seek any and all grant and/or loan funds in conjunction with any new development within the Bluffton Road East Plan or the General Motors Plan that can be used to assist in financing the infrastructure projects identified in the above mentioned Plans.

3.5 Direct the county's transportation planning staff and highway department staff to seek any and all grants and/or loans as well as local sources of revenue available to finance the construction of the Dalman Road Extension.

3.6 Support and approve the designation of property as Airport Development Zones by the Airport Development Commission to the extent that the designation would assist in carrying out the purpose of this agreement.

4. **BOARD OF PUBLIC WORKS OBLIGATIONS.** The Board of Public Works shall use its best efforts to do the following:

4.1 Design, and develop plans, specifications, and bid documents for all sewer and water projects listed in Attachment B and depicted in Attachment C and Attachment D respectively.

4.2 Provide engineering and inspection services for all sewer and water projects listed in Attachment B and depicted in Attachment C and Attachment D respectively.

4.3 Provide pressure testing and disinfection services for all water projects listed in Attachment B and depicted in Attachment D.

4.4 Cause to be constructed sewer projects K11005 and K11010 as described in Attachment B and depicted in Attachment C.

4.5 Enter into reimbursement contracts with the city and/or county redevelopment commission to allow the respective redevelopment commission to receive an assessment on any new water and or sewer extensions that could potentially serve undeveloped property and are funded by and/or through the city and/or county redevelopment commission.

4.6 Approve waivers and/or sewer contracts for development in the Air Trade Center, Baer Field Plan, Bluffton Road Plan, General Motors Plan, and I-469, Bluffton Road Plan due to lack of sewer capacity conditioned on funds available through TIF, local revenue sources, and/or grants and loans to assist in funding projects that would alleviate the capacity problems.

4.7 Direct the city engineer to seek any and all grant and/or loans as well as local revenue sources to cover the cost of constructing the Ardmore Avenue Extension

5. **CITY COUNCIL'S POLICIES.** The City Council's policies with respect to this understanding shall be to use its best efforts to:

5.1 Support and approve the pledging of one or more local revenue sources including, but not limited to the Light Lease Fund, local income tax, UDAG Fund, or utility funds as a guarantee, when necessary, for the issuance of a Tax Increment Financing Bond by the City Redevelopment Commission to fund infrastructure projects identified in the Baer Field Plan.

5.2 Support and approve using one or more local revenue sources including, but not limited to the Light Lease Fund, local income tax, UDAG Fund, or utility funds to loan when applicable, to the City Redevelopment Commission to cover the cost of infrastructure projects identified in the Baer Field Plan until a TIF revenue stream is adequate to repay the loan.

5.3 Support and approve using one or more local revenue sources including, but not limited to, the Light Lease Fund, local income tax, UDAG Fund, or utility funds to meet debt service on initial TIF bond payments in situations where using capitalized interest will not allow the proceeds of the TIF bond to cover the cost of the infrastructure projects.

5.4 Approve applications for ERA designations only to the level that the off-site infrastructure improvements required to adequately serve the applicant's property can be funded through the use of TIF and/or grants and loans.

6. **CITY REDEVELOPMENT COMMISSION'S OBLIGATIONS.** The City Redevelopment Commission shall use its best efforts to do the following:

6.1 Take the necessary steps to allow the commission to capture all of the increase in assessed value within the Baer Field Plan including, but not limited to, any increases due to reassessment, the new Tuthill facility, and developments in Baer Field Industrial Park, Section I.

6.2 To the extent available, use the TIF revenue through a bond or loan and/or in conjunction with other local revenue sources and/or grants and loans to finance infrastructure projects in the Baer Field Plan. Priority should be given to funding the following infrastructure



projects. The following are not in any specific order, but will be dictated in part by need and the location of any new developments.

6.2.1 Ardmore corridor water project as described in **Attachment B** and depicted as Project No. 3 in **Attachment D**.

6.2.2 Indianapolis Road Distribution Improvement water project as described in **Attachment B** and depicted as Project No. 4 in **Attachment D**.

6.2.3 Lower Huntington Road Distribution Improvement water project as described in **Attachment B** and depicted as Project No. 7 in **Attachment D**.

6.2.4 Smith Road Distribution water project as described in **Attachment B** and depicted as Project No. 8 in **Attachment D**.

6.2.5 Sewer projects H43018, H39016, and I39002 as described in **Attachment B**, with a more detailed description in the recently completed Sewer Master Plan, and depicted by project number in **Attachment C**.

6.2.6 Ardmore Avenue Extension road project that is defined in Section 1, 1.1 of this agreement and depicted in **Attachment A**.

6.2.7 Any water or sewer projects proposed in the General Motors Plan that cannot be funded as part of the General Motors TIF bond that are in and/or serving the Baer Field EDA. These projects must be allowable under I.C. 36-7-14 et.seq.

6.3 As a first priority, ensure that the aforementioned off-site infrastructure projects are funded prior to committing any TIF revenue from the Baer Field Plan or any other local source of revenue, grants and/or loans to undertake any on-site improvements within the Baer Field Plan with the exception of a rail spur, if needed, to support a major new development.

6.4 Approve resolutions authorizing ERA designations in the Baer Field Plan area only to the level that the off-site infrastructure required to adequately serve the applicant's property can be funded through the use of TIF, other local revenue sources, and/or grants and loans.

6.4.1 For projects requiring new infrastructure extensions, the tax revenue from the project and/or Baer Field EDA allocation area along with grants and/or loans should cover the cost of the new infrastructure.

6.4.2 For projects locating in areas where there is an existing capacity problem, any and all revenue from the increase in assessed value, any local revenue sources available, and grants and/or loans should be applied to addressing the capacity problems.

7. **COUNTY COUNCIL'S POLICIES.** The County Council's policies with respect to this understanding shall be to use its best efforts to:

7.1 Support and approve the pledging of County Economic Development Income Tax, when necessary, for the issuance of Tax Increment Financing bond(s) by the County Redevelopment Commission to fund infrastructure projects identified in the Bluffton Road East Plan and the General Motors Plan.

7.2 Support and approve using one or more local revenue sources including, but not limited to, the County Economic Development Income Tax, Wheel Tax Fund, and/or the Board of Commissioner's Economic Development Fund to loan, when applicable, to the County Redevelopment Commission to cover the cost of infrastructure projects identified in the Bluffton Road East Plan and/or the General Motors Plan until a TIF revenue stream is adequate.

7.3 Support and approve using one or more local revenue sources including, but not limited to, the County Economic Development Income Tax and/or the Board of Commissioners' Economic Development Fund to meet debt service on initial TIF bond payments in situations where using capitalized interest will not allow the proceeds from the TIF bond to cover the cost of extending new infrastructure projects for a new development.

7.4 Support and approve using the Council's Tax Abatement Development Fund as a local source of revenue as soon as it meets its capitalization requirements.

7.5 Approve applications for ERA designations only to the level that the off-site infrastructure improvements required to adequately serve the applicant's development can be funded through the use of TIF, other local revenue sources, grants and/or loans.

8. **COUNTY REDEVELOPMENT COMMISSION'S OBLIGATIONS.** The County Redevelopment Commission shall use its best efforts to do the following:

8.1 Take the necessary steps to allow the commission to capture all of the increase in assessed value within the Bluffton Road East Plan, General Motors Plan, and I-469/Bluffton Road Plan including, but not limited to any increases due to reassessment and the new General Motors body shop.

8.2 To the extent available, use the TIF revenue from the General Motors Plan through a bond or loan and/or in conjunction with other local revenue sources and/or grants and loans to finance infrastructure projects identified in the General Motors Plan. Priority should be given to funding the following infrastructure projects. These projects are in no particular order, and their completion will be determined in part by the location of new developments.

8.2.1 Southwest Feeder Main 24" Phase I water project as described in **Attachment B** and depicted as Project No. 1 in **Attachment D**.



8.2.2 Southwest Feeder Main 24" water project as described in **Attachment B** and depicted as Project No. 2 in **Attachment D**.

8.2.3 Sewer projects H23022, H27003, H23019, J15016, I19048, and I23002 as described in **Attachment B**, with a more detailed description in the recently completed Sewer Master Plan, and depicted by project number in **Attachment C**.

8.3 To the extent available, use the TIF revenue from the Bluffton Road East Plan and I-469/Bluffton Road Plan through a bond or loan and/or in conjunction with other local revenue sources and/or grants and loans to finance infrastructure projects identified in the Bluffton Road East Plan and the I-469/Bluffton Road Plan. Priority should be given to funding the following infrastructure projects. These projects are in no particular order and completion of these projects will be determined in part by need and the location of any new developments.

8.3.1 Bluffton Road Distribution Improvement water project as described in **Attachment B** and depicted as **Project No. 5** in **Attachment D**.

8.3.2 Ferguson Road Distribution Improvement water project as described in **Attachment B** and depicted in **Attachment D**.

8.3.3 Bluffton Road Distribution Improvement water project as described in **Attachment B** and depicted as **Project No. 9** in **Attachment D**.

8.3.4 The Harbor Ditch Interceptor Project a new gravity line which would serve development south of Ferguson Road as well as the lateral project that would serve the Bluffton Road East Plan parcels. These projects are described in **Attachment B** and depicted in **Attachment C**.

8.4 As a first priority, ensure that the aforementioned off-site infrastructure projects are funded prior to committing any TIF revenue from the Bluffton Road East Plan, General Motors Plan, or the I-469/Bluffton Road Plan or any other local source of revenue, grants and/or loans to undertake any on-site improvements within the areas of the respective plans with the exception of a rail spur, if needed, to support a major new development.

8.5 Approve resolutions authorizing ERA designations in the Bluffton Road East Plan and the I-469/Bluffton Road Plan area only to the level that the off-site infrastructure required to adequately serve the applicant's property can be funded through the use of TIF, other local revenue sources, and/or grants and loans.

8.5.1 For projects requiring new infrastructure extensions, the tax revenue from the project along with grants and/or loans should cover the cost of the new infrastructure.

8.5.2 For projects locating in areas where there is an existing capacity problem, any and all revenue from the increase in assessed value, any local revenue sources available, and/ grants and/or loans should be applied to addressing the capacity problems.

9. **MAYOR'S POLICIES.** The Mayor's policies with respect to this agreement shall be to use his best efforts to:

9.1 Support and approve the pledging of one or more local revenue sources including, but not limited to, the Light Lease Fund, local income tax, UDAG Fund, or utility funds as a guarantee, when necessary, for the issuance of a Tax Increment Financing Bond by the City Redevelopment Commission to fund infrastructure projects identified in the Baer Field Plan.

9.2 Support and approve using one or more local revenue sources including, but not limited to, the Light Lease Fund, local income tax, UDAG Fund, or utility funds to loan when applicable, to the City Redevelopment Commission to cover the cost of infrastructure projects identified in the Baer Field Plan until a TIF revenue stream is adequate to repay the loan.

9.3 Support and approve using one or more local revenue sources including, but not limited to, the Light Lease Fund, local income tax, UDAG Fund, or utility funds to meet debt service on initial TIF bond payments in situations where using capitalized interest will not allow the proceeds of the TIF bond to cover the cost of the infrastructure projects.

9.4 Direct the city's economic development staff to seek any and all grant and/or loan funds in conjunction with any new development within the Baer Field Plan area that can be used to assist in financing the infrastructure projects identified in the Baer Field Plan

9.5 Direct the city engineer to seek any and all funds available to assist in covering the cost of the Ardmore Avenue Extension.

9.6 Support and approve the designation of property as Airport Development Zones by the Airport Development Commission to the extent that the designation would assist in carrying out the purpose of this agreement.

**10. SPECIAL NOTICE OF INTENT TO TAKE ACTION IN OR SERVING THE AIR TRADE CENTER, BAER FIELD EDA, BLUFFTON ROAD EAST EDA, GENERAL MOTORS EDA, AND/OR I-469/BLUFFTON ROAD EDA**

10.1 For the purpose of this understanding, the term "Action" shall mean any of the following:

10.1.1 The Fort Wayne-Allen County Airport Authority by and through its Airport Development Commission designating a geographic area of real estate as an Airport



Development Zone.

10.1.2 The Board of Public Works approving waivers for development in the Air Trade Center, Baer Field EDA, Bluffton Road East EDA, General Motors EDA, and the I-469/Bluffton Road EDA or approving the lifting of development restrictions in the above-described areas.

10.1.3 The City Council approving declaratory and/or confirmatory resolutions for ERA designations in the Baer Field EDA.

10.1.4 The City Redevelopment Commission adopting resolutions allowing ERA designations within the Baer Field EDA. Also, the City Redevelopment Commission using TIF revenue from the Baer Field EDA for purposes other than off-site infrastructure in or serving the Baer Field EDA.

10.1.5 The County Council approving declaratory and/or confirmatory resolutions in the Bluffton Road East EDA, General Motors EDA, or the I-469/Bluffton Road EDA.

10.1.6 The County Redevelopment Commission adopting resolutions allowing ERA designations with the Bluffton Road East EDA or the I-469/Bluffton Road EDA. Also, the County Redevelopment Commission using TIF revenue from the Bluffton Road East EDA or the I-469/Bluffton Road EDA for purposes other than off-site infrastructure serving the Bluffton Road East EDA or the I-469/Bluffton Road EDA.

10.2 Prior to any of the above actions being taken by any of the respective parties, a notice, in addition to other required notices, must be provided to all other parties to this agreement prior to considering formally considering the action. The notice shall include the following:

10.2.1 The specific action being pursued by the respective party.

10.2.2 The date, time, and location of all meetings associated with the action.

10.2.3 An explanation as to why the action is being pursued and what impact said action may or may not have on the funding of off-site infrastructure in or serving the Air Trade Center, Baer Field EDA, Bluffton Road East EDA, General Motors EDA, and the I-469/Bluffton Road EDA.

10.3 A party to this understanding upon receiving notice of intent to take action and believes that the action would constitute a substantive deviation from the intent of this Memorandum of Understanding shall do the following:

10.3.1 Notify the party considering taking an action, in writing, within five (5) working days from the receipt of notice of intent to take action stating the reason(s) that the action would constitute a substantive deviation from the intent of this Memorandum of Understanding.

10.3.2 Request that the party considering taking an action meet prior to the proposed date of formally considering the action to resolve whether the action would constitute a substantive deviation from the intent of this Memorandum of Understanding.

10.3.3 If a meeting to resolve whether an action would violate the intent of this Memorandum of Understanding cannot be scheduled prior to the proposed date that the action would be formally considered, request that the meeting for taking formal action be rescheduled to a later date or postponed indefinitely until the matter can be resolved.

10.3.4 If, after no resolution of whether the proposed action would constitute a substantive deviation from the intent of this Memorandum of Understanding, the action is formally adopted then the aggrieved party would have the right to terminate this Memorandum of Understanding.

## **11. MISCELLANEOUS.**

11.1 **Amendments.** No amendments, modifications, alterations, or additions to this understanding shall be binding unless made in writing and signed by the parties.

11.2 **Gender.** Whenever reasonably necessary, pronouns of any gender shall be deemed synonymous, as shall singular and plural pronouns.

11.3 **Governing Law.** This understanding shall be governed in all respects whether as to validity, construction, capacity, performance, or otherwise by the laws of the State of Indiana.

11.4 **Headings.** The section headings in this understanding are included solely for convenience, and shall in no event affect or be used in connection with the interpretation of this understanding.

11.5 **Counterparts.** This understanding may be executed in several counterparts, each of which shall be deemed an original, but together the counterparts shall constitute one and the same document.

11.6 **Entire Understanding.** This understanding constitutes the entire agreement of the parties, all prior negotiations and agreements, whether written or oral, having been merged into this agreement.



11.7 **Recitals.** All recitals set forth at the outset of this understanding are incorporated by reference in it and are true.

11.8 **Inconsistent Provisions.** If terms and conditions stated in the attachments and exhibits to this understanding are inconsistent or in conflict with provisions in this agreement, the provisions in this agreement shall control.

11.9 **Termination of the Agreement.** Any party to this understanding may terminate its obligations to this understanding by providing written notice to all other parties to the understanding stating the reason(s) for terminating the understanding and the effective date of the termination.

12. **AUTHORITY TO SIGN.** Each person signing this understanding in a representative capacity on behalf of a party warrants and represents to each other party that:

12.1 The person executing this understanding has the actual authority and power to so sign, and to bind the person's respective principal to the provisions of this understanding; and

12.2 All governmental actions necessary for the making and implementing of the terms and conditions of this understanding have been duly taken.

13. **NOTICES.**

13.1 Any notice, designation, consent, approval, offer, acceptance, statement, or other communication required or allowed under this understanding shall be in writing and shall be given to a party at the party's address stated below, or at such other address as a party may designate in a notice:

Fort Wayne-Allen County  
Airport Authority

Fort Wayne-Allen County Airport  
Authority  
Suite 209, LT. Paul Baer  
Terminal Building  
Fort Wayne Indiana 46809

If to Board of Commissioners:

Board of Commissioners  
Room 200 City-County Building  
One Main Street  
Fort Wayne, Indiana 46802

If to Board of Public Works:

Chairman  
Board of Public Works  
9th Floor, City County Building

	One Main Street Fort Wayne, Indiana 46802
If to City Council:	Fort Wayne City Council C/O Clerk's Office 1st Floor City-County Building One Main Street Fort Wayne, Indiana 46802
If to City Redevelopment Commission:	Fort Wayne Redev. Commission  Room 840 City County Building One Main Street Fort Wayne, Indiana 46802
If to County Council:	Allen County Council C/O Auditor's Office Room 102 City County Building One Main Street Fort Wayne, Indiana 46802
If to County Redevelopment Commission:	Allen County Redev. Comm. Room 630 City County Building One Main Street Fort Wayne, Indiana 46802
If to Mayor:	Mayor 9th Floor City County Building One Main Street Fort Wayne, Indiana 46802

13.2.1 The notice is mailed to the party to be notified by means of certified or registered U.S. mail, return receipt requested, postage prepaid; or

13.2.2 The notice is sent to the party to be notified by express courier such as "Federal Express", "Airborne Express", or such other similar carrier guaranteeing next day delivery.

13.2.3 The refusal by a party to accept a notice shall not affect the giving of the notice.

#### 14. DURATION OF UNDERSTANDING



14.1 This understanding shall be in full force and effect until such time as the first of the following occurs:

14.1.1 All infrastructure projects identified as being in or serving the Air Trade Center, Baer Field EDA, Bluffton Road East EDA, General Motors EDA, and I-469/Bluffton Road EDA are completed.

15.1.2 A date ten (10) years from the date of this understanding with an option to extend it for another ten (10) years if agreed to by all parties.

## **MEMORANDUM**

**To: Members of the Fort Wayne Common Council**

**From: John Stafford**  
**Director of Strategic Planning**

**Date: December 13, 1996**

**Subject: Resolutions related to the financing of infrastructure in southwest Allen County**

On your agenda for consideration during the December 17<sup>th</sup> are two resolutions related to the funding of sanitary sewer, water and highway improvements in the southwest portions of Fort Wayne and Allen County. These two documents arose from a meeting conducted last December involving City, County and Chamber of Commerce officials to discuss methods for providing the infrastructure necessary to support economic development activity in this portion of the community.

*The Intergovernmental Memorandum of Understanding to Fund Infrastructure Improvements in Southwest Allen County* addresses the proposed financing and construction of several sanitary sewer, water supply and highway projects deemed necessary to further economic development in the area generally surrounding the Fort Wayne International Airport. This document outlines the historical background, the specific infrastructure projects proposed, potential mechanisms for the financing of these improvements, and a series of suggested policies and objectives for each of the participating agencies. The *Memorandum* also provides for a method of communicating related future public decisions which may be by each of the participating entities that would affect the objectives of the *Memorandum*. It is proposed that the document will be entered into by the Fort Wayne Common Council, the Mayor of the City of Fort Wayne, the Board of Public Works, the Fort Wayne Redevelopment Commission, the Allen County Council, the Allen County Board of Commissioners, the Allen County Redevelopment Commission and the Fort Wayne-Allen County Airport Authority.

The second document is a Resolution ratifying an *Interlocal Cooperation Agreement* which has been entered into by the City of Fort Wayne, by and through the Mayor and the Board of Public Works with the Allen County Redevelopment Commission. Under the terms of this Agreement the Allen County Redevelopment Commission will use the proceeds of a tax incremental finance (TIF) bond associated with the General Motors Economic Development Area to finance construction of certain sanitary sewer and public water supply improvements. Upon completion of these projects the facilities will be dedicated to City Utilities for acceptance into the City sanitary sewer and public water systems respectively.

At the December 3<sup>rd</sup> meeting members of the Council were provided with notebooks contain drafts of these and several related documents. I will be available at the December 17<sup>th</sup> meeting to provide a more complete explanation of the two subject resolutions.



**DIGEST SHEET**

**TITLE OF ORDINANCE**                      **RESOLUTION** \_\_\_\_\_

**DEPARTMENT REQUESTING ORDINANCE** PUBLIC WORKS - JOHN STAFFORD \_\_\_\_\_

**SYNOPSIS OF ORDINANCE**       APPROVES INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING BETWEEN ALLEN COUNTY REDEVELOPMENT COMMISSION, THE BOARD OF COMMISSIONERS OF ALLEN COUNTY, THE ALLEN COUNTY COUNCIL , THE FORT WAYNE BOARD OF PUBLIC WORKS, THE FORT WAYNE REDEVELOPMENT COMMISSION, THE MAYOR OF FORT WAYNE, THE FORT WAYNE COMMON COUNCIL AND THE FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY FOR THE FINANCING AND CONSTRUCTION OF SEVERAL PUBLIC WATER, SANITARY SEWER AND HIGHWAY IMPROVEMENTS. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**EFFECT OF PASSAGE**       APPROVES INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING. \_\_\_\_\_

**EFFECT OF NON-PASSAGE** INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING NOT APPROVED \_\_\_\_\_

**MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS)** \_\_\_\_\_

**ASSIGNED TO COMMITTEE (PRESIDENT)** \_\_\_\_\_

Read the first time in full and on motion by Crawford,  
and duly adopted, read the second time by title and referred to the  
Committee on Annexation (and the City Plan Commission  
for recommendation) and Public Hearing to be held after due legal notice, at  
the Common Council Council Conference Room 128, City-County Building, Fort  
Wayne, Indiana, on \_\_\_\_\_, 19\_\_\_\_, the \_\_\_\_\_ day of  
\_\_\_\_\_, M., E.S.T.

DATED: 12-17-96

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Crawford,  
and duly adopted, placed on its passage. PASSED LOST  
by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT:
TOTAL VOTES	9			
BENDER	✓			
CRAWFORD	✓			
EDMONDS	✓			
HALL	✓			
HAYHURST	✓			
HENRY	✓			
LUNSEY	✓			
RAVINE	✓			
SCHMIDT	✓			

DATED: 12-17-96

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne,  
Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL)

(SPECIAL) (ZONING) ORDINANCE. RESOLUTION NO. 27-88-96  
on the 17th day of December, 19 96

ATTEST:

(SEAL)

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

D. D. Schmitt  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on  
the 18th day of December, 19 96,  
at the hour of 11:30 o'clock P., M., E.S.T.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 20th day of December,  
19 96, at the hour of 5:30 o'clock P., M., E.S.T.

Paul Heimke  
PAUL HEIMKE, MAYOR

BILL NO. R-96-12-16

REPORT OF THE COMMITTEE ON  
FINANCE  
THOMAS C. HENRY - JOHN N. CRAWFORD - CO-CHAIR  
ALL COUNCIL MEMBERS

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS

REFERRED AN ~~(ORDINANCE)~~ <sup>XXXXXXXXXX</sup> (RESOLUTION) of the Common Council of  
the City of Fort Wayne, Indiana, approving the Council's participation  
in an Intergovernmental memorandum of Understanding with other local  
public agencies to fund infrastructure improvements in Southwest  
Allen County

HAVE HAD SAID ~~(ORDINANCE)~~ <sup>XXXXXXXXXX</sup> (RESOLUTION) UNDER CONSIDERATION  
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID  
~~(ORDINANCE)~~ <sup>XXXXXXXXXX</sup> (RESOLUTION)

DO PASS

DO NOT PASS

ABSTAIN

NO REC

*John W. Crawford*

*Robert A. B...*

*Thomas E. H...*

*Robert E. G...*

*John P. H...*

*William E. H...*

*Debbie Hall*

*Clatus R. Edmonds*

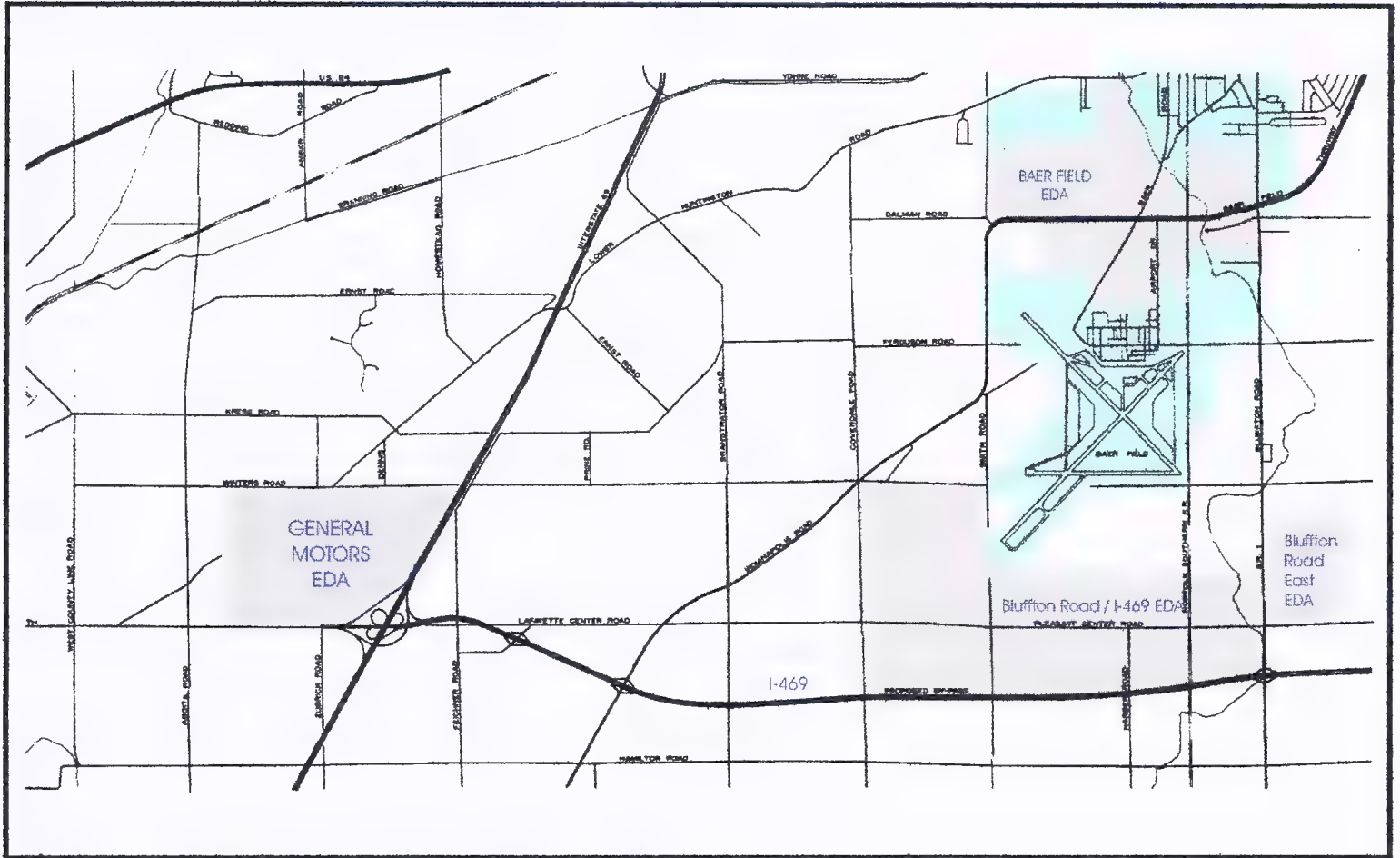
DATED: *12-17-96*

Sandra E. Kennedy  
City Clerk



**SIGNED DOCUMENT**

# INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING TO FUND INFRASTRUCTURE IMPROVEMENTS IN SOUTHWEST ALLEN COUNTY



## INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING

This Intergovernmental Memorandum of Understanding made effective as of the 17th day of Dec., 1996 by the Allen County Council, Allen County Redevelopment Commission, Board of Commissioners of Allen County, Indiana, City of Fort Wayne Board of Public Works, City of Fort Wayne Redevelopment Commission, Common Council of the City of Fort Wayne, Fort Wayne-Allen County Airport Authority and Mayor, City of Fort Wayne.

### RECITALS

A. Since the economic downturn of the early 1980's, the community has been successful in attracting new companies and facilitating the expansion of existing companies. Major new business locations include Aeroquip, Cadillac Coffee, Central Fine Pack, General Motors, Ingram Distribution, N.D. Tech, Ryder, and Fleet Services. Major expansion projects include Coca Cola, ITT/SINGCARS, Nestle, Power Wheels, WaterFurnace, and most recently General Motors.

B. This success was a direct result of a unified effort at all levels of government as well as the private sector. The City of Fort Wayne and Allen County aggressively pursued federal and State grants to capitalize low-interest loan programs, develop an industrial park, and extend infrastructure. Both local units of government used tax abatement and Industrial Revenue Bonds (IRBs) as financial inducements. The Chamber of Commerce spearheaded a major fund drive that, at the time, raised more money than any other Chamber of Commerce in the country.

C. The community's success in attracting new companies and aiding in the expansion of existing companies since the early 1980's has depleted most of the development ready industrial sites including the additional industrial parks that were developed during this time.

D. This situation is confirmed by the recently completed study by Thorne Consultants on industrial land needs in the community. Thorne states that there will be a demand for more than 800 acres of industrial land through 2005. Even though the community has an inventory 1,199 acres of land in industrial parks, only 405 acres are currently developable.

E. Besides having an inadequate inventory of ready to develop industrial sites, the community has not kept pace with changes in the site selection and development process and economic development financing.

F. The community has taken the approach that if a company is interested in a piece of property, the community will commit to rezoning the property and facilitating all the approvals necessary to allow construction on the property.

E. Besides having an inadequate inventory of ready to develop industrial sites, the community has not kept pace with changes in the site selection and development process and economic development financing.

F. The community has taken the approach that if a company is interested in a piece of property, the community will commit to rezoning the property and facilitating all the approvals necessary to allow construction on the property.

G. Given the time constraints typically associated with a company looking to open a new operation or expand an existing one, companies generally will first look for an existing facility that suits its needs. If a company needs to construct a new facility, it wants property that is appropriately zoned, serviced by adequate public water and sewer, and has an established price.

H. With all of the competition between communities for a limited number of new projects, offering only a piece of farm ground as a site puts a community at a competitive disadvantage.

I. In the area of economic development financing, the community has taken the "If you locate here, we will commit to extending the infrastructure and work with the Indiana Department of Commerce and other local units of government to fund the infrastructure extensions.

J. Since the early 1980's the community has relied on federal and state grant programs for infrastructure financing while typically using city utility funds as the local match. Several of the federal grant programs no longer exist and the community no longer qualifies for those that do. The Indiana Department of Commerce has reduced its participation in financing infrastructure from 75 % to 25% of a project's cost. In addition, the primary source of the local match is no longer available. There has been a definite shift in financing infrastructure from the federal and state level to the local level.

K. Locally, the community has traditionally favored the use of Tax Increment Financing (TIF) over either of the local option income taxes-County Option Income Tax (COIT) and County Economic Development Income Tax (CEDIT) or the direct use of property taxes through a general obligation bond to finance infrastructure for economic development projects.

L. TIF is preferred because the revenue to fund infrastructure costs for a project is based on the increase in assessed value from the project area unlike General Obligation Bonds, CEDIT and COIT which are taxes on the property or incomes of the community's citizens. A negative side of TIF, especially in cases where a project is receiving tax abatement is there is no increment in the first few years so the interest must be capitalized or cash from another source must be used to make the first few bond payments.



M. With an unemployment rate of 3.7% in Allen County as of April 1996, the local economy is viewed as healthy, and therefore there is no sense of urgency to improve the community's inventory of developable industrial land. However, the community has, in recent times, faced opportunities to further its economic base that it could not capitalize on for lack of adequate developable industrial property.

N. The first such opportunity occurred in 1991-1992 when the U.S. Postal Service was looking for a site for its hub sorting facility. Based on a point system, the community was ranked second as a result of a lack of proper zoning and an inadequate infrastructure.

O. The Nestle distribution facility could have been the next project to locate elsewhere as a result of a lack of available sites. Fortunately, the Nestle development had the time to go through the rezoning and Economic Development Area designation processes, and did not require tax abatement. Unlike the Postal Service Project, Nestle was a significant business retention project. The community would have lost several well-paying jobs if Nestle decided to relocate.

P. Since Nestle's location at the intersection of I-469 and Bluffton Road, there have been several inquiries regarding properties in the airport area. In January of 1995, the community had the opportunity to be the location of a Best Buy distribution facility. Again, as a result of a lack of appropriate zoning and infrastructure, the community was runner-up to Findlay, Ohio. Earlier this year, the community was a finalist for a Harley Davidson motorcycle assembly operation that would have created over 500 jobs paying in excess of \$12.00 per hour. There is a continuing interest in this area as a location for new and/or expanding businesses.

Q. An ad hoc group of city economic, redevelopment, utilities and board of works departments, county economic development and transportation planning staff, and the Chamber of Commerce has been meeting in an attempt to address the issue of a lack of development ready industrial sites and come up with solutions that put the community in a better position to capitalize on the aforementioned opportunities.

R. Based on the Thorne Consultant's study, recent prospect activity, and recent public and private investments, the group focused on the airport area. The area is more specifically defined as the Southwest Allen County Land Use Study area. That study is an amendment to both the City of Fort Wayne Comprehensive Plan and the Allen County Comprehensive Plan.

S. Water engineering and sewer engineering staff developed a list of projects required in order to alleviate deficit capacity and/or provide increased capacity while transportation planners identified major road projects required to increase accessibility to the area.

T. Since it was determined that the use of TIF would be the primary revenue stream to finance the infrastructure improvements, the city and county redevelopment staffs identified areas that should be designated for that purpose.

U. The next logical step was identifying which infrastructure projects could be funded by each designated TIF area. Certain projects could be funded by any of the designated areas while other projects were specific to one designated area.

V. Assigning projects that could only be funded through a specific tax increment financing area to that geographic area left those projects that could be funded by more than one of the designated districts.

W. The concept was that the location of new developments would in part determine which infrastructure projects would be undertaken.

X. The announcement by General Motors that it was going to construct a new body shop presented an opportunity to provide funding for the Dalman Road extension and various water and sewer projects.

Y. The Tuthill development and future developments on and/or near the airport provides additional opportunities to address infrastructure projects in the southwest area.

Z. The parties desire to enter into an understanding to identify the infrastructure projects to be constructed, the public board, council, or commission responsible for such construction, and the methods of financing such construction.

## **UNDERSTANDING**

It is understood by all parties that the provision of infrastructure to support continued development in the southwest Allen County area cannot be accomplished by any one public entity, but rather will require a cooperative and coordinated effort by all of the parties to this understanding. Since each party to the understanding has unique powers and political jurisdictions, it is agreed that the obligations of each party to this understanding are as follows:

1. **DEFINITIONS.** The following words and phrases shall have the meanings stated unless a different meaning is clearly indicated by the context:

1.1 **“Air Trade Center”.** The Fort Wayne International Air Trade Center located in the Southwest Quadrant of the Fort Wayne International Airport for aeronautical related commercial businesses and tenants, owned and operated by the Fort Wayne-Allen County Airport Authority.

1.2 **“Airport Development Commission”.** A three member body from the

Fort Wayne-Allen County Airport Authority that administers the Airport Development Zone.

1.3 **“Airport Development Zone”**. An area to be identified by the Fort Wayne-Allen County Airport Authority through its Airport Development Commission (I.C. 8-22-3.5) for a qualifying aeronautical development project to provide specific economic benefits for the community.

1.4 **“Ardmore Avenue Extension”**. This project is a new road to be constructed from its current intersection at Lower Huntington Road south to the existing Dalman Road. This project was first proposed in 1971 and included in the Fort Wayne-Allen County Year 1990 Transportation Plan and each subsequent Transportation Plan. This project is detailed in the Fort Wayne-Allen County Year 2015 Transportation Plan and depicted on the map in **Attachment A**.

1.5 **“Baer Field Plan”**. A plan that serves as the basis for the City of Fort Wayne Redevelopment Commission designating approximately 1,000 acres of land on the north and south side of Dalman Road between Smith Road and Bluffton Road as an Economic Development Area and allocation area for the purpose of using Tax Increment Financing. A copy of the plan is included as **Exhibit A**.

1.6 **“Bluffton Road East Plan”**. A plan that serves as the basis for the Allen County Redevelopment Commission designating a 240 acre area at the northeast corner of Bluffton and Pleasant Center Roads as an Economic Development Area and allocation area for the purpose of using Tax Increment Financing. A copy of the Plan is included as **Exhibit B**.

1.7 **“Board of Commissioners”**. The three member administrative and legislative body of Allen County legally known as the Board of Commissioners of the County of Allen, Indiana.

1.8 **“Board of Commissioners Economic Development Fund”**. A fund capitalized by a previous Indiana Department of Commerce Investment Incentive Program (IIP) grant. This \$1.7 million grant was loaned to All America City Investors as one-half of the construction cost for the ITT Sincgars facility. The note was subsequently discounted and the Board of Commissioners received approximately \$659,000.00.

1.9 **“Board of Public Works”**. A three member administrative body appointed by the Mayor that oversees the operations and contracts of the Fort Wayne City Utilities and the various civil city departments involved in road improvements, drainage, and other infrastructure related activities.

1.10 **“City”**. Collectively the Board of Public Works, Common Council of the City of Fort Wayne, Fort Wayne Redevelopment Commission, and Mayor



1.11 **“City Council”**. The nine member elected fiscal and legislative body of the City of Fort Wayne legally known as the Common Council of the City of Fort Wayne.

1.12 **“City Redevelopment Commission”**. A five member commission three of which are appointed by the Mayor of Fort Wayne two of which are appointed by the city council and duly constituted under Indiana Code 36-7-14 et. Seq.

1.13 **“Community Trust Fund”**. A fund established by the city council in 1975 to account for a portion of the proceeds received from a private utility leasing the assets of the electric utility.

1.14 **“County”**. Collectively the Board of Commissioners, Allen County Council, and the Allen County Redevelopment Commission.

1.15 **“County Council”**. The seven member elected fiscal body of Allen County, Indiana, legally known as the Allen County Council.

1.16 **“County Redevelopment Commission”**. A five member commission appointed by the Board of Commissioners and duly constituted under Indiana Code 36-7-14 et.seq.

1.17 **“Dalman Road Extension”**. This project is a new road to be constructed from its current intersection at Smith Road to the I-69/Lower Huntington Road interchange. This project was first proposed in 1985 and included in the Fort Wayne-Allen County Year 1990 Transportation Plan and each subsequent Transportation Plan. This project is detailed in the Fort Wayne-Allen County Year 2015 Transportation Plan and depicted on the map in **Attachment B**.

1.18 **“Economic Development Area (EDA) designation”**. The designation approved by the redevelopment commission of a local unit of government that allows the redevelopment commission to construct public improvements in or serving the area.

1.19 **“Economic Revitalization Area (ERA) designation”**. The designation approved by the fiscal body of a local unit of government that enables the property owner(s) to file for tax abatement on the increase in assessed value of real property improvements and/or new manufacturing equipment.

1.20 **“Fort Wayne-Allen County Airport Authority”**. The six member board, which owns and operates all properties associated with the Fort Wayne International Airport and Smith Field Airport located within Allen County as established under I.C. 8-22-3-1.1.

1.21 **“General Motors Plan”**. A plan that serves as the basis for the Allen County Redevelopment Commission designating the General Motors property located at the

northwest intersection of I-69 and I-469 as an Economic Development Area and allocation area for the purpose of using Tax Increment Financing. A copy of the Plan is included as **Exhibit C**.

1.22 **“Grants and/or loans”**. Any source of monies available to fund infrastructure costs identified in the Baer Field Plan, Bluffton Road East Plan, and the General Motors Plan. These grants/loans may include, but not be limited to grants and loans from the Indiana Department of Commerce, federal programs, investor-owned utilities, railroads, not-for-profit entities, and other local sources of revenue.

1.23 **“I-469/Bluffton Road Plan”**. A plan that serves as the basis for the Allen County Redevelopment Commission designating an area on the north and south side of Pleasant Center Road between Bluffton Road and Coverdale Road as an Economic Development Area for the purpose of using Tax Increment Financing. A copy of the Plan is included as **Exhibit D**.

1.24 **“Light Lease Revenues”**. Electric utility lease revenue derived from the 1975 lease of the city electric utility to American Electric Power.

1.25 **“Mayor”**. Chief elected official of the City of Fort Wayne, Indiana.

1.26 **“Sewer Projects”**. Sewer improvements that have been identified as being required to address deficit capacity situations and/or increase capacity in the southwest Allen County area. These projects are identified along with a cost estimate in **Attachment B** and a map with the corresponding projects is included as **Attachment C**.

1.27 **“Tax Increment Financing (TIF)”**. A method for financing public infrastructure improvements using the taxes generated from the increase in assessed value of a designated area to cover the cost of the infrastructure improvements.

1.28 **“Tax Abatement Development Fund”**. A fund established for the Allen County Council that is a non-reverting fund and is solely capitalized by petitioners for ERA designations who voluntarily contribute 20% of their savings from tax abatement to the **Allen County Council** for the purpose of funding various economic development activities.

1.29 **“Urban Development Action Grant (UDAG) Fund”**. A fund capitalized by loan payments received from PowerWheels and Essex that were loaned by the City from the UDAG program. This fund is under the control of the Mayor.

1.30 **“Utility Funds”**. Money available from the city utilities that the Board of **Public Works** can use to offset the infrastructure costs in the Baer Field Plan, Bluffton Road East Plan, General Motors Plan, and the I-469/Bluffton Road Plan.

1.31 **“Water Projects”**. Water improvements that have been identified as being required to either provide improved service to the entire southwest Allen County area or

that are needed to provide and/or improve service to specific properties in the southwest Allen County area. These projects are listed along with an engineer's cost estimate in **Attachment B** and are shown on the map in **Attachment D**.

2. **FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY OBLIGATIONS.** The Fort Wayne-Allen County Airport Authority shall use its best efforts to do the following:

2.1 Begin infrastructure and access development projects for the Fort Wayne International Air Trade Center.

2.2 Identify a qualified economic development project to locate within the Airport Development Zone.

2.3 Airport Development Commission shall be established by the Airport Authority Board for all developments to locate in the Airport Development Zone.

2.4 Airport Development Commission shall formally identify the geographic boundaries of the Airport Development Zone and shall present the Airport Development Zone for formal approval by the County Commissioners and/or the Mayor of the City of Fort Wayne.

2.5 After receiving all requisite approvals, the Airport Development Commission shall establish the Airport Development Zone as a special taxing district.

2.6 All Tax Incremental Financing revenues derived from any project locating in the Airport Development Zone shall be used to, in part or in total, defray all or a portion thereof the cost of infrastructure projects required for or serving the Airport Development Zone.

3. **BOARD OF COMMISSIONER'S POLICIES.** The Board of Commissioners' policies with respect to this understanding shall be to use its best efforts to:

3.1 Support and approve the pledging of one or more local revenue sources including, but not limited to, the County Economic Development Income Tax or Commissioner's Economic Development Fund as a guarantee, when necessary, for the issuance of a Tax Increment Financing Bond by the County Redevelopment Commission to fund infrastructure projects identified in the Bluffton Road East, General Motors Plan, and/or I-469/Bluffton Road Plan.

3.2 Support and approve using one or more local revenue sources including, but not limited to, the County Economic Development Income Tax or Commissioner's Economic Development Fund to loan, when applicable, to the County Redevelopment Commission to cover the cost of infrastructure projects identified in the Bluffton Road East Plan,



General Motors Plan, and/or the I-469/Bluffton Road Plan. until a TIF revenue stream is adequate to repay the loan.

3.3 Support and approve using one or more local revenue sources including, but not limited to, the County Economic Development Income Tax to meet debt service on initial TIF bond payments in situations where using capitalized interest will not allow the proceeds of the TIF bond to cover the cost of the new infrastructure projects for specific new developments.

3.4 Direct the county's economic development staff to seek any and all grant and/or loan funds in conjunction with any new development within the Bluffton Road East Plan or the General Motors Plan that can be used to assist in financing the infrastructure projects identified in the above mentioned Plans.

3.5 Direct the county's transportation planning staff and highway department staff to seek any and all grants and/or loans as well as local sources of revenue available to finance the construction of the Dalman Road Extension.

3.6 Support and approve the designation of property as Airport Development Zones by the Airport Development Commission to the extent that the designation would assist in carrying out the purpose of this agreement.

4. **BOARD OF PUBLIC WORKS OBLIGATIONS.** The Board of Public Works shall use its best efforts to do the following:

4.1 Design, and develop plans, specifications, and bid documents for all sewer and water projects listed in **Attachment B** and depicted in **Attachment C** and **Attachment D** respectively.

4.2 Provide engineering and inspection services for all sewer and water projects listed in **Attachment B** and depicted in **Attachment C** and **Attachment D** respectively.

4.3 Provide pressure testing and disinfection services for all water projects listed in **Attachment B** and depicted in **Attachment D**.

4.4 Cause to be constructed sewer projects K11005 and K11010 as described in **Attachment B** and depicted in **Attachment C**.

4.5 Enter into reimbursement contracts with the city and/or county redevelopment commission to allow the respective redevelopment commission to receive an assessment on any new water and or sewer extensions that could potentially serve undeveloped property and are funded by and/or through the city and/or county redevelopment commission.

4.6 Approve waivers and/or sewer contracts for development in the Air Trade Center, Baer Field Plan, Bluffton Road Plan, General Motors Plan, and I-469, Bluffton Road Plan due to lack of sewer capacity conditioned on funds available through TIF, local revenue sources, and/or grants and loans to assist in funding projects that would alleviate the capacity problems.

4.7 Direct the city engineer to seek any and all grant and/or loans as well as local revenue sources to cover the cost of constructing the Ardmore Avenue Extension

5. **CITY COUNCIL'S POLICIES.** The City Council's policies with respect to this understanding shall be to use its best efforts to:

5.1 Support and approve the pledging of one or more local revenue sources including, but not limited to the Light Lease Fund, local income tax, UDAG Fund, or utility funds as a guarantee, when necessary, for the issuance of a Tax Increment Financing Bond by the City Redevelopment Commission to fund infrastructure projects identified in the Baer Field Plan.

5.2 Support and approve using one or more local revenue sources including, but not limited to the Light Lease Fund, local income tax, UDAG Fund, or utility funds to loan when applicable, to the City Redevelopment Commission to cover the cost of infrastructure projects identified in the Baer Field Plan until a TIF revenue stream is adequate to repay the loan.

5.3 Support and approve using one or more local revenue sources including, but not limited to, the Light Lease Fund, local income tax, UDAG Fund, or utility funds to meet debt service on initial TIF bond payments in situations where using capitalized interest will not allow the proceeds of the TIF bond to cover the cost of the infrastructure projects.

5.4 Approve applications for ERA designations only to the level that the off-site infrastructure improvements required to adequately serve the applicant's property can be funded through the use of TIF and/or grants and loans.

6. **CITY REDEVELOPMENT COMMISSION'S OBLIGATIONS.** The City Redevelopment Commission shall use its best efforts to do the following:

6.1 Take the necessary steps to allow the commission to capture all of the increase in assessed value within the Baer Field Plan including, but not limited to, any increases due to reassessment, the new Tuthill facility, and developments in Baer Field Industrial Park, Section I.

6.2 To the extent available, use the TIF revenue through a bond or loan and/or in conjunction with other local revenue sources and/or grants and loans to finance infrastructure projects in the Baer Field Plan. Priority should be given to funding the following infrastructure

projects. The following are not in any specific order, but will be dictated in part by need and the location of any new developments.

6.2.1 Ardmore corridor water project as described in **Attachment B** and depicted as Project No. 3 in **Attachment D**.

6.2.2 Indianapolis Road Distribution Improvement water project as described in **Attachment B** and depicted as Project No. 4 in **Attachment D**.

6.2.3 Lower Huntington Road Distribution Improvement water project as described in **Attachment B** and depicted as Project No. 7 in **Attachment D**.

6.2.4 Smith Road Distribution water project as described in **Attachment B** and depicted as Project No. 8 in **Attachment D**.

6.2.5 Sewer projects H43018, H39016, and I39002 as described in **Attachment B**, with a more detailed description in the recently completed Sewer Master Plan, and depicted by project number in **Attachment C**.

6.2.6 Ardmore Avenue Extension road project that is defined in Section 1, 1.1 of this agreement and depicted in **Attachment A**.

6.2.7 Any water or sewer projects proposed in the General Motors Plan that cannot be funded as part of the General Motors TIF bond that are in and/or serving the Baer Field EDA. These projects must be allowable under I.C. 36-7-14 et.seq.

6.3 As a first priority, ensure that the aforementioned off-site infrastructure projects are funded prior to committing any TIF revenue from the Baer Field Plan or any other local source of revenue, grants and/or loans to undertake any on-site improvements within the Baer Field Plan with the exception of a rail spur, if needed, to support a major new development.

6.4 Approve resolutions authorizing ERA designations in the Baer Field Plan area only to the level that the off-site infrastructure required to adequately serve the applicant's property can be funded through the use of TIF, other local revenue sources, and/or grants and loans.

6.4.1 For projects requiring new infrastructure extensions, the tax revenue from the project and/or Baer Field EDA allocation area along with grants and/or loans should cover the cost of the new infrastructure.

6.4.2 For projects locating in areas where there is an existing capacity problem, any and all revenue from the increase in assessed value, any local revenue sources available, and grants and/or loans should be applied to addressing the capacity problems.



7. **COUNTY COUNCIL'S POLICIES.** The County Council's policies with respect to this understanding shall be to use its best efforts to:

7.1 Support and approve the pledging of County Economic Development Income Tax, when necessary, for the issuance of Tax Increment Financing bond(s) by the County Redevelopment Commission to fund infrastructure projects identified in the Bluffton Road East Plan and the General Motors Plan.

7.2 Support and approve using one or more local revenue sources including, but not limited to, the County Economic Development Income Tax, Wheel Tax Fund, and/or the Board of Commissioner's Economic Development Fund to loan, when applicable, to the County Redevelopment Commission to cover the cost of infrastructure projects identified in the Bluffton Road East Plan and/or the General Motors Plan until a TIF revenue stream is adequate.

7.3 Support and approve using one or more local revenue sources including, but not limited to, the County Economic Development Income Tax and/or the Board of Commissioners' Economic Development Fund to meet debt service on initial TIF bond payments in situations where using capitalized interest will not allow the proceeds from the TIF bond to cover the cost of extending new infrastructure projects for a new development.

7.4 Support and approve using the Council's Tax Abatement Development Fund as a local source of revenue as soon as it meets its capitalization requirements.

7.5 Approve applications for ERA designations only to the level that the off-site infrastructure improvements required to adequately serve the applicant's development can be funded through the use of TIF, other local revenue sources, grants and/or loans.

8. **COUNTY REDEVELOPMENT COMMISSION'S OBLIGATIONS.** The County Redevelopment Commission shall use its best efforts to do the following:

8.1 Take the necessary steps to allow the commission to capture all of the increase in assessed value within the Bluffton Road East Plan, General Motors Plan, and I-469/Bluffton Road Plan including, but not limited to any increases due to reassessment and the new General Motors body shop.

8.2 To the extent available, use the TIF revenue from the General Motors Plan through a bond or loan and/or in conjunction with other local revenue sources and/or grants and loans to finance infrastructure projects identified in the General Motors Plan. Priority should be given to funding the following infrastructure projects. These projects are in no particular order, and their completion will be determined in part by the location of new developments.

8.2.1 Southwest Feeder Main 24" Phase I water project as described in **Attachment B** and depicted as Project No. 1 in **Attachment D**.

8.2.2 Southwest Feeder Main 24" water project as described in **Attachment B** and depicted as Project No. 2 in **Attachment D**.

8.2.3 Sewer projects H23022, H27003, H23019, J15016, I19048, and I23002 as described in **Attachment B**, with a more detailed description in the recently completed Sewer Master Plan, and depicted by project number in **Attachment C**.

8.3 To the extent available, use the TIF revenue from the Bluffton Road East Plan and I-469/Bluffton Road Plan through a bond or loan and/or in conjunction with other local revenue sources and/or grants and loans to finance infrastructure projects identified in the Bluffton Road East Plan and the I-469/Bluffton Road Plan. Priority should be given to funding the following infrastructure projects. These projects are in no particular order and completion of these projects will be determined in part by need and the location of any new developments.

8.3.1 Bluffton Road Distribution Improvement water project as described in **Attachment B** and depicted as **Project No. 5** in **Attachment D**.

8.3.2 Ferguson Road Distribution Improvement water project as described in **Attachment B** and depicted in **Attachment D**.

8.3.3 Bluffton Road Distribution Improvement water project as described in **Attachment B** and depicted as **Project No. 9** in **Attachment D**.

8.3.4 The Harbor Ditch Interceptor Project a new gravity line which would serve development south of Ferguson Road as well as the lateral project that would serve the Bluffton Road East Plan parcels. These projects are described in **Attachment B** and depicted in **Attachment C**.

8.4 As a first priority, ensure that the aforementioned off-site infrastructure projects are funded prior to committing any TIF revenue from the Bluffton Road East Plan, General Motors Plan, or the I-469/Bluffton Road Plan or any other local source of revenue, grants and/or loans to undertake any on-site improvements within the areas of the respective plans with the exception of a rail spur, if needed, to support a major new development.

8.5 Approve resolutions authorizing ERA designations in the Bluffton Road East Plan and the I-469/Bluffton Road Plan area only to the level that the off-site infrastructure required to adequately serve the applicant's property can be funded through the use of TIF, other local revenue sources, and/or grants and loans.

8.5.1 For projects requiring new infrastructure extensions, the tax revenue from the project along with grants and/or loans should cover the cost of the new infrastructure.

8.5.2 For projects locating in areas where there is an existing capacity problem, any and all revenue from the increase in assessed value, any local revenue sources available, and/ grants and/or loans should be applied to addressing the capacity problems.

9. **MAYOR'S POLICIES.** The Mayor's policies with respect to this agreement shall be to use his best efforts to:

9.1 Support and approve the pledging of one or more local revenue sources including, but not limited to, the Light Lease Fund, local income tax, UDAG Fund, or utility funds as a guarantee, when necessary, for the issuance of a Tax Increment Financing Bond by the City Redevelopment Commission to fund infrastructure projects identified in the Baer Field Plan.

9.2 Support and approve using one or more local revenue sources including, but not limited to, the Light Lease Fund, local income tax, UDAG Fund, or utility funds to loan when applicable, to the City Redevelopment Commission to cover the cost of infrastructure projects identified in the Baer Field Plan until a TIF revenue stream is adequate to repay the loan.

9.3 Support and approve using one or more local revenue sources including, but not limited to, the Light Lease Fund, local income tax, UDAG Fund, or utility funds to meet debt service on initial TIF bond payments in situations where using capitalized interest will not allow the proceeds of the TIF bond to cover the cost of the infrastructure projects.

9.4 Direct the city's economic development staff to seek any and all grant and/or loan funds in conjunction with any new development within the Baer Field Plan area that can be used to assist in financing the infrastructure projects identified in the Baer Field Plan

9.5 Direct the city engineer to seek any and all funds available to assist in covering the cost of the Ardmore Avenue Extension.

9.6 Support and approve the designation of property as Airport Development Zones by the Airport Development Commission to the extent that the designation would assist in carrying out the purpose of this agreement.

10. **SPECIAL NOTICE OF INTENT TO TAKE ACTION IN OR SERVING THE AIR TRADE CENTER, BAER FIELD EDA, BLUFFTON ROAD EAST EDA, GENERAL MOTORS EDA, AND/OR I-469/BLUFFTON ROAD EDA**

10.1 For the purpose of this understanding, the term "Action" shall mean any of the following:

10.1.1 The Fort Wayne-Allen County Airport Authority by and through its Airport Development Commission designating a geographic area of real estate as an Airport



Development Zone.

10.1.2 The Board of Public Works approving waivers for development in the Air Trade Center, Baer Field EDA, Bluffton Road East EDA, General Motors EDA, and the I-469/Bluffton Road EDA or approving the lifting of development restrictions in the above-described areas.

10.1.3 The City Council approving declaratory and/or confirmatory resolutions for ERA designations in the Baer Field EDA.

10.1.4 The City Redevelopment Commission adopting resolutions allowing ERA designations within the Baer Field EDA. Also, the City Redevelopment Commission using TIF revenue from the Baer Field EDA for purposes other than off-site infrastructure in or serving the Baer Field EDA.

10.1.5 The County Council approving declaratory and/or confirmatory resolutions in the Bluffton Road East EDA, General Motors EDA, or the I-469/Bluffton Road EDA.

10.1.6 The County Redevelopment Commission adopting resolutions allowing ERA designations with the Bluffton Road East EDA or the I-469/Bluffton Road EDA. Also, the County Redevelopment Commission using TIF revenue from the Bluffton Road East EDA or the I-469/Bluffton Road EDA for purposes other than off-site infrastructure serving the Bluffton Road East EDA or the I-469/Bluffton Road EDA.

10.2 Prior to any of the above actions being taken by any of the respective parties, a notice, in addition to other required notices, must be provided to all other parties to this agreement prior to considering formally considering the action. The notice shall include the following:

10.2.1 The specific action being pursued by the respective party.

10.2.2 The date, time, and location of all meetings associated with the action.

10.2.3 An explanation as to why the action is being pursued and what impact said action may or may not have on the funding of off-site infrastructure in or serving the Air Trade Center, Baer Field EDA, Bluffton Road East EDA, General Motors EDA, and the I-469/Bluffton Road EDA.

10.3 A party to this understanding upon receiving notice of intent to take action and believes that the action would constitute a substantive deviation from the intent of this Memorandum of Understanding shall do the following:

10.3.1 Notify the party considering taking an action, in writing, within five (5) working days from the receipt of notice of intent to take action stating the reason(s) that the action would constitute a substantive deviation from the intent of this Memorandum of Understanding.

10.3.2 Request that the party considering taking an action meet prior to the proposed date of formally considering the action to resolve whether the action would constitute a substantive deviation from the intent of this Memorandum of Understanding.

10.3.3 If a meeting to resolve whether an action would violate the intent of this Memorandum of Understanding cannot be scheduled prior to the proposed date that the action would be formally considered, request that the meeting for taking formal action be rescheduled to a later date or postponed indefinitely until the matter can be resolved.

10.3.4 If, after no resolution of whether the proposed action would constitute a substantive deviation from the intent of this Memorandum of Understanding, the action is formally adopted then the aggrieved party would have the right to terminate this Memorandum of Understanding.

## **11. MISCELLANEOUS.**

11.1 **Amendments.** No amendments, modifications, alterations, or additions to this understanding shall be binding unless made in writing and signed by the parties.

11.2 **Gender.** Whenever reasonably necessary, pronouns of any gender shall be deemed synonymous, as shall singular and plural pronouns.

11.3 **Governing Law.** This understanding shall be governed in all respects whether as to validity, construction, capacity, performance, or otherwise by the laws of the State of Indiana.

11.4 **Headings.** The section headings in this understanding are included solely for convenience, and shall in no event affect or be used in connection with the interpretation of this understanding.

11.5 **Counterparts.** This understanding may be executed in several counterparts, each of which shall be deemed an original, but together the counterparts shall constitute one and the same document.

11.6 **Entire Understanding.** This understanding constitutes the entire agreement of the parties, all prior negotiations and agreements, whether written or oral, having been merged into this agreement.

11.7 **Recitals.** All recitals set forth at the outset of this understanding are incorporated by reference in it and are true.

11.8 **Inconsistent Provisions.** If terms and conditions stated in the attachments and exhibits to this understanding are inconsistent or in conflict with provisions in this agreement, the provisions in this agreement shall control.

11.9 **Termination of the Agreement.** Any party to this understanding may terminate its obligations to this understanding by providing written notice to all other parties to the understanding stating the reason(s) for terminating the understanding and the effective date of the termination.

12. **AUTHORITY TO SIGN.** Each person signing this understanding in a representative capacity on behalf of a party warrants and represents to each other party that:

12.1 The person executing this understanding has the actual authority and power to so sign, and to bind the person's respective principal to the provisions of this understanding; and

12.2 All governmental actions necessary for the making and implementing of the terms and conditions of this understanding have been duly taken.

13. **NOTICES.**

13.1 Any notice, designation, consent, approval, offer, acceptance, statement, or other communication required or allowed under this understanding shall be in writing and shall be given to a party at the party's address stated below, or at such other address as a party may designate in a notice:

Fort Wayne-Allen County  
Airport Authority

Fort Wayne-Allen County Airport  
Authority  
Suite 209, LT. Paul Baer  
Terminal Building  
Fort Wayne Indiana 46809

If to Board of Commissioners:

Board of Commissioners  
Room 200 City-County Building  
One Main Street  
Fort Wayne, Indiana 46802

If to Board of Public Works:

Chairman  
Board of Public Works  
9th Floor, City County Building



One Main Street  
Fort Wayne, Indiana 46802

If to City Council:

Fort Wayne City Council  
C/O Clerk's Office  
1st Floor City-County Building  
One Main Street  
Fort Wayne, Indiana 46802

If to City Redevelopment Commission:

Fort Wayne Redev. Commission  
  
Room 840 City County Building  
One Main Street  
Fort Wayne, Indiana 46802

If to County Council:

Allen County Council  
C/O Auditor's Office  
Room 102 City County Building  
One Main Street  
Fort Wayne, Indiana 46802

If to County Redevelopment Commission:

Allen County Redev. Comm.  
Room 630 City County Building  
One Main Street  
Fort Wayne, Indiana 46802

If to Mayor:

Mayor  
9th Floor City County Building  
One Main Street  
Fort Wayne, Indiana 46802

13.2.1 The notice is mailed to the party to be notified by means of certified or registered U.S. mail, return receipt requested, postage prepaid; or

13.2.2 The notice is sent to the party to be notified by express courier such as "Federal Express", "Airborne Express", or such other similar carrier guaranteeing next day delivery.

13.2.3 The refusal by a party to accept a notice shall not affect the giving of the notice.

#### 14. **DURATION OF UNDERSTANDING**

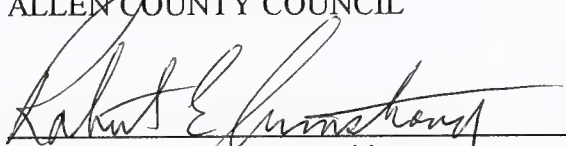
14.1 This understanding shall be in full force and effect until such time as the first of the following occurs:

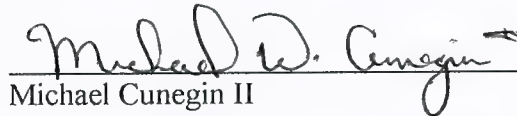
14.1.1 All infrastructure projects identified as being in or serving the Air Trade Center, Baer Field EDA, Bluffton Road East EDA, General Motors EDA, and I-469/Bluffton Road EDA are completed.

15.1.2 A date ten (10) years from the date of this understanding with an option to extend it for another ten (10) years if agreed to by all parties.

Adopted this 11 day of December, 1996.


ALLEN COUNTY COUNCIL

  
Robert E. Armstrong, President

  
Michael Cunegin II

\_\_\_\_\_  
Paul E. Brumbaugh

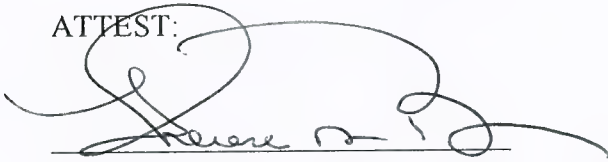
  
William G. Schnizer

  
Sandra A. Houlihan


\_\_\_\_\_  
F. Nelson Peters IV



ATTEST:

  
Therese M. Brown, Auditor  
Allen County, Indiana

Approved as to Form & Legality this 11 day of December, 1996.

  
G. William Fishering III, Attorney for Allen  
County, Indiana



Adopted this 10 day of December, 1996.

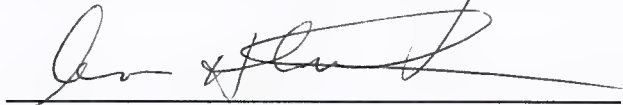
ALLEN COUNTY REDEVELOPMENT COMMISSION



Steven P. Bercot, President



David A. Myers, Vice-President



Ann H. Eckrich, Secretary

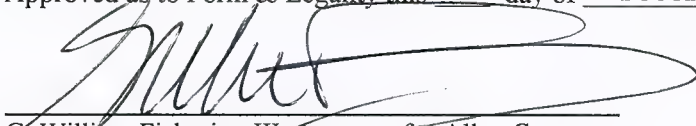


Edward L. Neufer



Michael McCollum

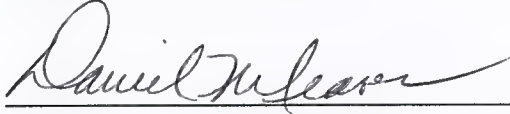
Approved as to Form & Legality this 10 day of December, 1996.



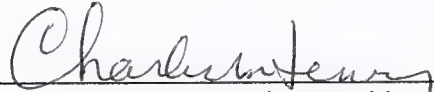
G. William Fishering III, Attorney for Allen County  
Redevelopment Commission

Adopted this 16 day of December, 1996.

THE BOARD OF THE  
AIRPORT AUTHORITY



Daniel F. Weaver, President



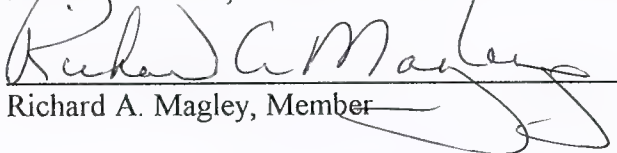
Charles M. Henry, Vice-President



Timothy J. Haffner, Secretary

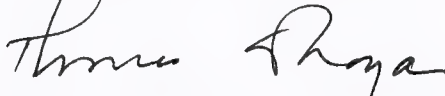
Robert F. Wearley, Member

James R. Loomis, Member



Richard A. Magley, Member

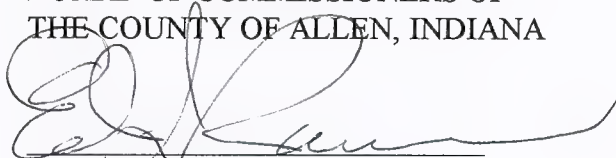
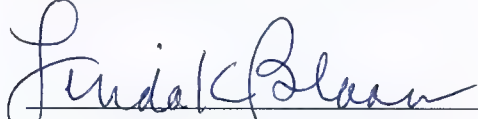
Approved as to Form & Legality this 18<sup>th</sup> Day of December, 1996.



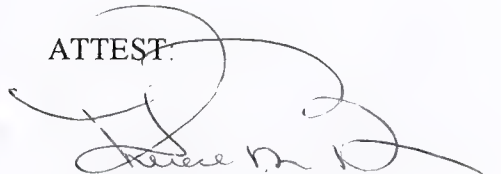
Thomas D. Logan, Authority Attorney

Adopted this 11 day of December, 1996.

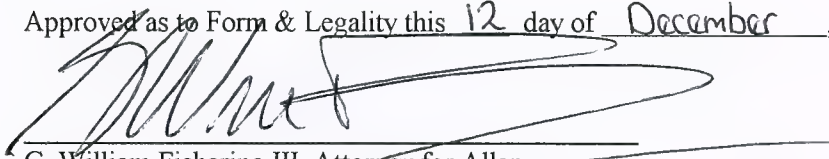
BOARD OF COMMISSIONERS OF  
THE COUNTY OF ALLEN, INDIANA

  
Edwin J. Rousseau, President  
Linda K. Bloom, Vice President  
Jack C. McComb, Secretary

ATTEST:

  
Therese M. Brown, Auditor  
Allen County, Indiana

Approved as to Form & Legality this 12 day of December, 1996.


  
G. William Fishing III, Attorney for Allen  
County, Indiana

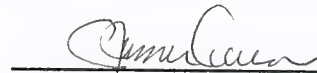



Adopted this 11TH day of DECEMBER, 1996.

CITY OF FORT WAYNE  
BOARD OF PUBLIC WORKS

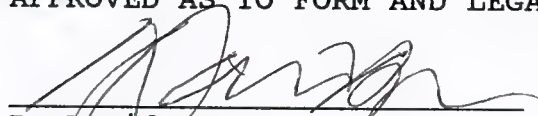
  
Linda Buskirk, Chairman

  
Terrance P. McCaffrey, Member

  
C. James Owen, Member

ATTEST:   
Patricia J. Crick, Clerk

APPROVED AS TO FORM AND LEGALITY THIS 17<sup>th</sup> DAY OF Dec., 1996.

  
R. David Boyer  
Associate City Attorney

Adopted this 17<sup>th</sup> day of December, 1996.

CITY OF FORT WAYNE  
COMMON COUNCIL

  
Donald J. Schmidt, President

  
Archie L. Lunsey

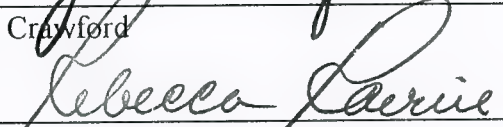
  
Thomas C. Henry

  
Thomas E. Hayhurst

  
Diedre A. Hall

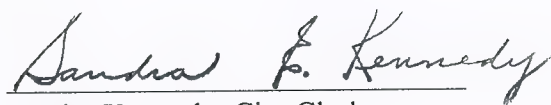
  
Cletus R. Edmonds

  
John N. Crawford

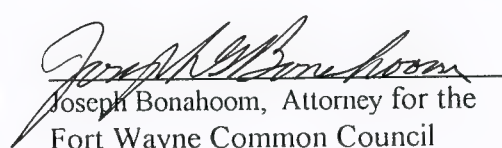
  
Rebecca J. Ravine

  
Martin A. Bender

ATTEST:

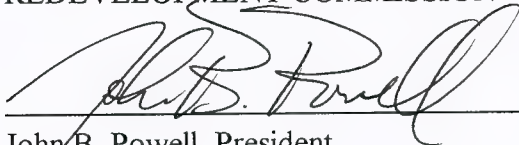
  
Sandra Kennedy, City Clerk  
Fort Wayne, Indiana

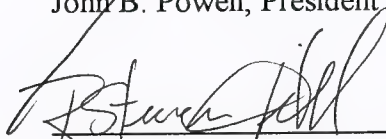
Approved as to Form & Legality this 17<sup>th</sup> day of Dec, 1996.

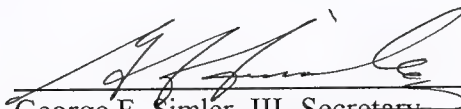
  
Joseph Bonahoom, Attorney for the  
Fort Wayne Common Council

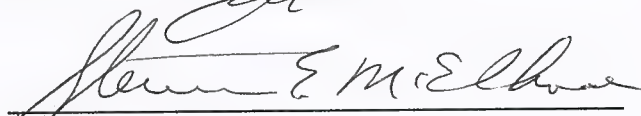
Adopted this 3<sup>rd</sup> day of December, 1996.

CITY OF FORT WAYNE  
REDEVELOPMENT COMMISSION

  
\_\_\_\_\_  
John B. Powell, President


  
\_\_\_\_\_  
R. Steven Hill, Vice-President

  
\_\_\_\_\_  
George F. Simler III, Secretary

  
\_\_\_\_\_  
Steven E. McElhoo

\_\_\_\_\_  
Member

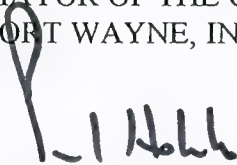
Approved as to Form & Legality this 3<sup>rd</sup> Day of December, 1996.

  
\_\_\_\_\_  
R. David Boyers, Associate City Attorney



Adopted this 17<sup>th</sup> day of December, 1996.

MAYOR OF THE CITY OF  
FORT WAYNE, INDIANA



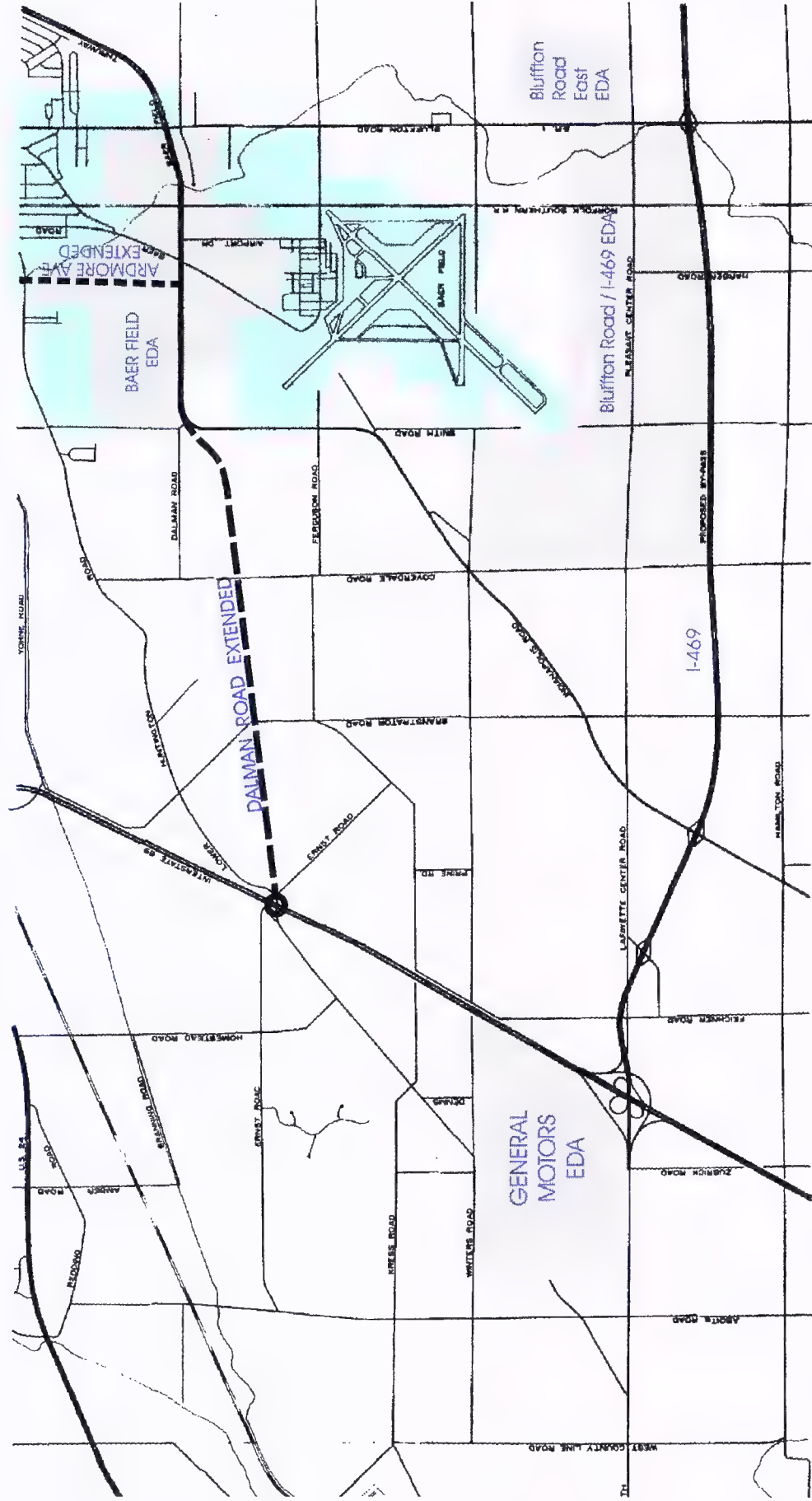
Paul Helmke, Mayor

Approved as to Form & Legality this 20<sup>th</sup> day of December, 1996.

  
J. Timothy McCaulay, City Attorney



# ROAD IMPROVEMENTS







## ATTACHMENT B

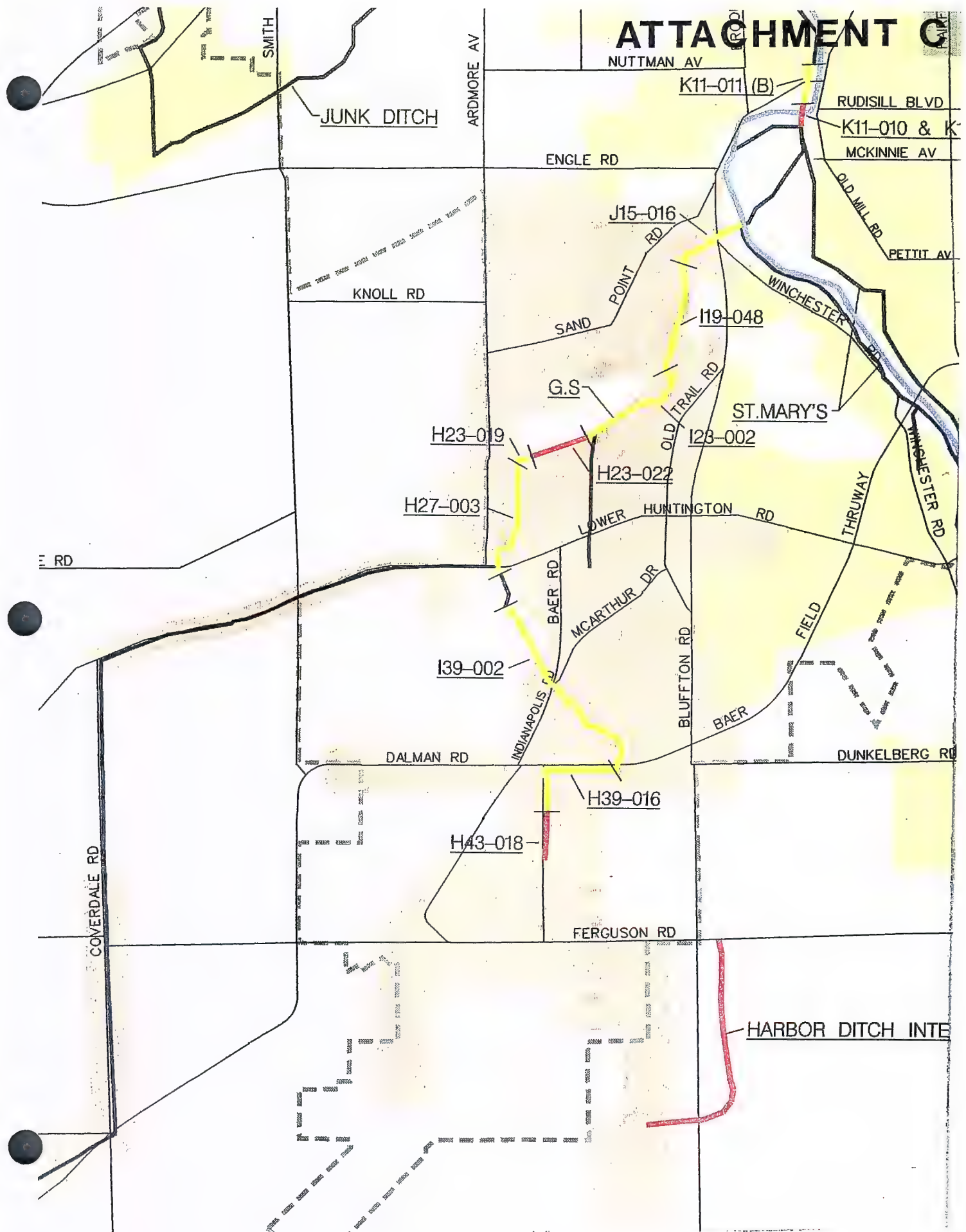
### INFRASTRUCTURE IMPROVEMENTS TO BAER FIELD AREA

<u>PROJECT TITLE</u>	<u>DESCRIPTION</u>	<u>COST</u>
<u>Water Projects</u>		
SouthWest Feeder Main 24" PH. I.	Paulding/Baerfield - Harrison to Lower Huntington Road	\$ 468,000
SouthWest Feeder Main 24" PH. II.	Baerfield Thruway - Lower Hunt. to Dalman Rd.	\$ 738,000
Ardmore Corridor	16" Lwr Huntinton to Dalman	\$ 216,000
Indianapolis Rd. Dist. Improvement	12" Ferguson Rd. north to Existing Main	\$ 106,400
Bluffton Rd. Dist. Improvement	16" Dunkleberg to Ferguson	\$ 216,000
Ferguson Rd. Dist. Improvement	16" Bluffton Rd. to west of N&W Railroad	\$ 184,500
Lower Huntington Rd. Dist. Improv.	16" West of Ardmore to Smith	\$ 117,000
Smith Road Dist. Improvement	16" Lower Huntington to Dalman	\$ 252,000
Bluffton Rd. Dist. Improvement	16" Ferguson Rd. to Pleasant Center	<u>\$ 528,000</u>
Subtotal		\$2,825,900
<u>Sewer Projects: Expand Service</u>		
Lateral to Parcel	1,320' of 8"	\$ 98,910
Harbor Ditch Int.	13,250' of 27" & 24"	<u>\$1,650,915</u>
Subtotal		\$1,749,825
<u>Sewer Projects: Increase Capacity</u>		
H43018	1,286' of 21"	\$ 112,375
H23022	1,062' of 33"	\$ 119,990
K11005(included as part of K11010)	20' of 30"	\$ 8,428
K11010	395' of 30"	\$ 930,197
H27 003	3,419' of 27"	\$ 328,676
H23 019	701' of 30"	\$ 70,941
H39 016	3,023' of 18"	\$ 255,999
I39 002	5,975' of 21"	\$ 532,095
J15 016	1,809' of 33"	\$ 240,156
I19 048	2,885' of 30"	\$ 318,487
I23 002	3,132' of 27"	<u>\$ 298,152</u>
Subtotal		\$3,215,496
Total Water and Sewer Projects		<u>\$7,791,221</u>



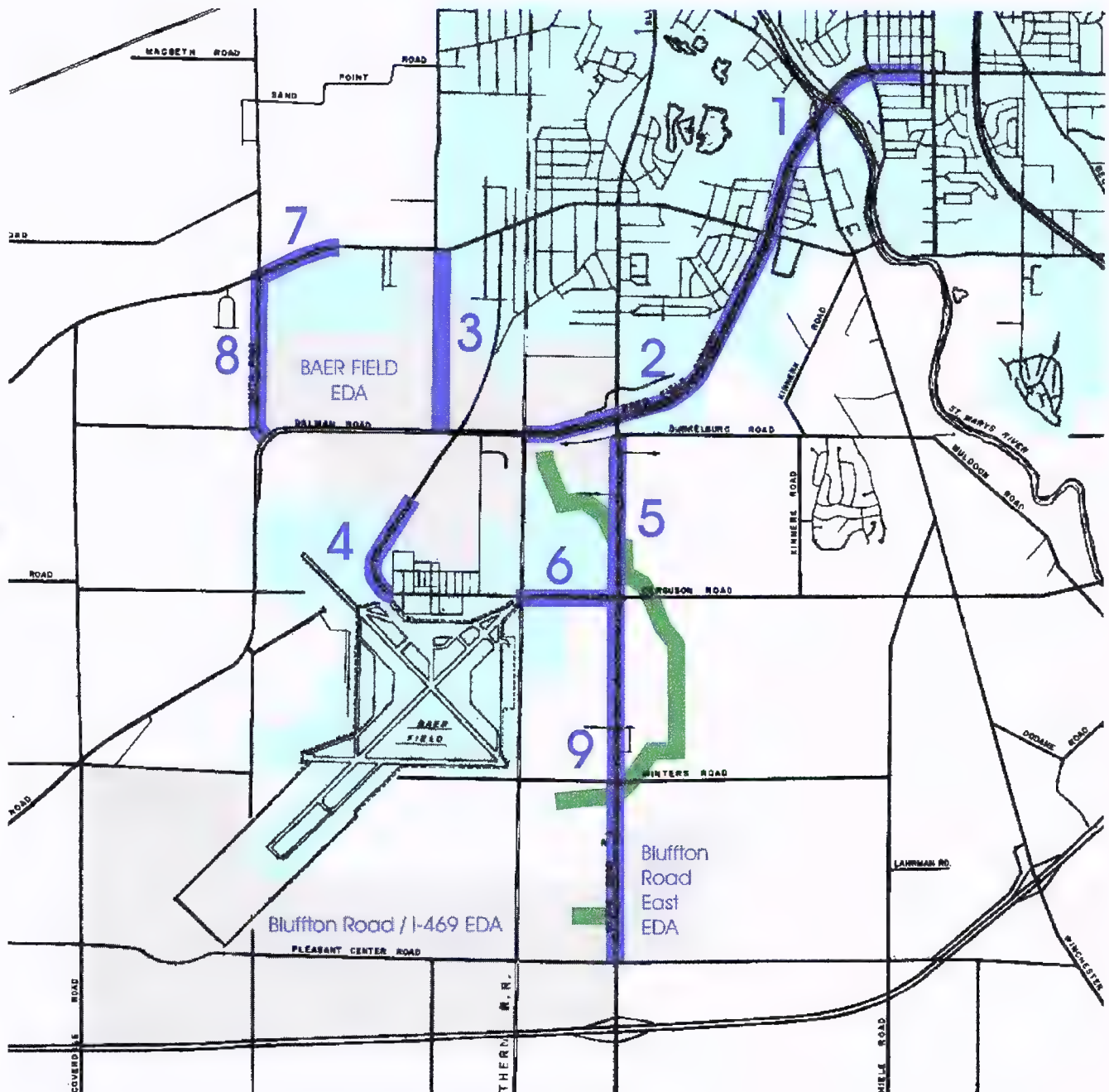


# ATTACHMENT C





# WATER IMPROVEMENTS



— Proposed Water Lines

— Proposed Sewer Lines





BAER FIELD ECONOMIC DEVELOPMENT PLAN

AND

DATA PERTAINING TO THE ADOPTION OF A  
DECLARATORY RESOLUTION

Prepared by the Fort Wayne Redevelopment Commission

December 1995

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  - C. Statement of Project Objectives
  - D. Land Use Plan and Development Controls
  - E. Proposed Project Activities
  - F. Enforcement of Economic Development Area Objectives
  - G. Provisions Necessary to Meet State and Local Laws
  - H. Procedures for Changes in the Approved Economic Development Plan
- II. Data Pertaining to the Adoption of a Declaratory Resolution
  - A. Basis for a Declaratory Resolution
  - B. Finding
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- 2. Land Use and Right-of-Way
- 3. Fort Wayne Water Engineering Southwest Capital Improvements
- 4. Water Pollution Control Engineering Capital Improvement Projects

## I. Baer Field Economic Development Plan

### A. Introduction

This document is offered as a plan for the establishment of an economic development area immediately north of Fort Wayne's airport. The preponderance of the area is zoned for manufacturing. The area has already been developed to some degree, but the vast majority of the land is unimproved, or agricultural, and is therefore considered available for development. Testifying to the strength of demand for land is large number of commercial real estate listings. However, long-standing barriers to development are present in the form of inadequate water and sewer service, and needed roadway improvements. Accordingly, the Fort Wayne Redevelopment Commission wishes to establish an economic development area and tax allocation area to fund the construction of certain public improvements which are key to orderly development and the attraction of additional investment to the area. Implementation of this Economic Development Plan is expected to result in the construction of basic public improvements, the retention of major manufacturing facilities, the attraction of new businesses and the creation of jobs, and an increase in property and income tax revenues.

The data contained in Section II is also necessary to the consideration of a declaratory resolution establishing the area as an "economic development area" in accordance with Indiana Code 36-7-14-41.

### B. Description of Project Area

For planning purposes, the area is bounded roughly by Lower Huntington Road on the north, Harber Ditch and Bluffton Road on the east, Ferguson Road on the south, and Smith Road on the east, contained wholly within the municipal boundaries of the City of Fort Wayne, and more particularly described in Appendix A. Refer also to the Economic Development Area Boundary map. See Appendix B for a listing of all property owners in the area.

### C. Statement of Project Objectives

1. Overcome existing barriers to development by funding the construction of basic public improvements.
2. Retain manufacturing jobs
3. Increase the income and property tax base
4. Attract new businesses to the City and increase job opportunities.
5. Protect and enhance property values in and around the area.



D. Land Use Plan and Development Controls

1. Refer to the map entitled "Land Use and Right-of-Way" for a depiction of existing zoning boundaries.
2. Land use, building requirements, development controls, and other regulations and controls specified in the City of Fort Wayne Zoning Ordinance shall apply to development occurring within the area.
3. Zoning: The Economic Development Area is zoned primarily M2, with M1 and RB buffer zones along a portion of the northern boundary, and R1 and RB zones fronting on Lower Huntington Road. No change in this zoning is proposed by this plan. It is anticipated, though, that the extension of Ardmore Avenue will create a demand for non-residential uses along its proposed route, the northern half of which is presently zoned R1 and RB, but is now bare land. In the event that non-residential development is allowed to occur on land adjacent to the north section of the Ardmore Avenue extension, this plan proposes that a buffer zone be created along the west property line of Tract 1, Section 32, T. 30 N, R. 12 E. Such a buffer zone would serve to shield the Orchard Ridge Country Club and the residential subdivisions further to the north.

E. Proposed Project Activities:

1. Improvements to Public Infrastructure
  - a. Roadway: The proposed Ardmore Avenue Extension Project consists of two asphalt lanes from the T-intersection at Lower Huntington Road to Dalman Road. The extension will be constructed for a future upgrade to four lanes.

Other proposed improvements will consist of the construction of a new bridge over Harbor Ditch near the intersection with Ardmore on Lower Huntington Road to facilitate the addition of left turn lanes. Both left and right turn lanes will be added to Ardmore Avenue on the north side of this intersection, which will be signalized. Left turn lanes and signalization will be added to the Dalman road/Ardmore Avenue intersection. Where the Ardmore Avenue extension meets Indianapolis Road at the southern limit of the project, Baer Road will be eliminated. Pavement markings and street lighting will also be included in this project. Special directional lighting will be used due to the project's proximity to the airport. The Ardmore extension is a City of Fort Wayne project in the preliminary design stage. Funding sources and a precise construction timetable are yet to be determined. Construction of the proposed project is estimated to cost \$2.4 million. Refer to the map entitled "Land Use and Right-of-Way" for a depiction of these improvements.

It is also proposed to improve and extend Dalman Road to the Lower Huntington Road/Interstate 69 interchange. Dalman Road is thereby proposed to be upgraded to an expressway to directly link the airport and surrounding area with I-69, and to remove the burden of high traffic volume and heavy trucks from nearby arterial roadways. This is an Allen County project in the preliminary design/right-of-way acquisition stage and is mentioned here in recognition of its importance to the future development of the economic development area. Both projects are identified in the Fort Wayne-Allen County Year 2010 Transportation Plan.

b. Drainage: No improvements proposed at this time.

c. Water: A number of projects are needed to maintain at least 30 psi in the southwest area of the distribution system. Refer to the map entitled "Fort Wayne Water Engineering Southwest Capital Improvements."

<u>SW Feeder Main Phase I</u>	\$468,000
24" main to connect Waynedale/airport/GM areas with Hoagland Ave. Feeder Main	

<u>SW Feeder Main Phase II</u>	\$738,000
--------------------------------	-----------

<u>Ardmore Extension</u>	\$216,000
16" distribution main along proposed Ardmore extension	

<u>Indianapolis Road Improvement</u>	\$106,400
12" distribution main from Ferguson to existing main	

<u>Bluffton Road Improvement Phase I</u>	\$216,000
16" distribution main from Dunkelberg Road to Ferguson Road	

<u>Lower Huntington Road Improvement</u>	\$117,000
16" distribution main from existing to Smith Road	

<u>Smith Road Improvement</u>	\$252,000
16" distribution main from Lower Huntington Road to Dalman Road	

d. Sewer: The proposed economic development area lies within a "red" interceptor area, meaning that there are problems with existing service and that capacity does not exist to serve future development in any significant way. What follows is a list of projects which are proposed to first eliminate problems in dealing with existing flow, and second, to increase capacity to accommodate growth. Refer to the map entitled "Water Pollution Control Engineering Capital Improvement Projects."

To correct existing problems:

J02-089	396 feet of 36"	\$100,000
K11-010	395 feet of 24"	827,000
K11-005	20.6 feet of 21"	8,000
H23-022	1,062 feet of 33"	120,000
H43-108	1,286 feet of 21"	<u>112,000</u>
		\$1,167,000

To provide additional capacity to handle 2,930,000 GPD/4.53 CFS of additional flow as anticipated by the master plan (up sizing):

K11-005	from 21" to 30"	\$nominal
J02-089	from 36" to 48"	10,000
K11-010	from 24" to 30"	<u>103,000</u>
		\$113,000

The projects listed above are being funded and constructed by the City of Fort Wayne. The projects listed below have not been budgeted.

To increase capacity of the downstream area to allow for a total of 4.95 CFS x 1.5 = 7.42 CFS:

K11-011	1,379 feet of 36"	\$282,000	
H27-003	3,419 feet of 27"	329,000	
H23-019	701 feet of 30"	71,000	
H39-016	3,023 feet of 18"	256,000	
I39-002	5,975 feet of 21"	532,000	
J15-016	1,809 feet of 33"	240,000	
I19-048	2,885 feet of 30"	318,000	
I23-002	3,132 feet of 27"	<u>298,000</u>	\$2,326,000

e. Other public improvements as may be deemed necessary by the Redevelopment Commission in accordance with the plan's objectives.

Any improvements undertaken by the Redevelopment Commission will be funded through the proceeds of a tax increment finance bond issue, and or through the simple accumulation of tax increment revenue. The listing of projects above does not necessarily indicate a commitment by the Redevelopment Commission to undertake all of the projects, but is intended solely to give an impression of the magnitude and type of work needed to address the area's shortcomings in infrastructure.

2. Declaration of an Allocation Area: The area depicted on the Area Boundary map and described in Appendix A as the Baer Field Economic Development

Area is identical to the "Baer Field Tax Allocation Area." The Allocation Area is established for the allocation and distribution of property taxes, as provided by Indiana Code 36-7-14-39, for the purpose of retiring the financial obligations required to fund the activities noted in Section I-E.

3. **Redevelopment Costs:** The estimated cost of the publicly-funded redevelopment projects is variable and undetermined until projects are chosen.
4. **Land Acquisition:** At this time the Redevelopment Commission does not propose to acquire any land to implement this Economic Development Plan.

F. Enforcement of Economic Development Area Objectives

1. The Redevelopment Commission shall serve notice to all affected government agencies whose activities may affect the use or development of the property within the Economic Development Area.
2. The Redevelopment Commission shall have the responsibility to review and approve development proposals prior to the issuance of the appropriate permit or certificate. The Commission shall also have the responsibility to review and approve the allocation of revenues in accordance with Indiana Code 36-7-14-39.
3. **Duration of Control:** This Plan, its regulations and requirements shall be in effect for thirty years from the date of its adoption by the Fort Wayne Redevelopment Commission, Plan Commission, and City Council.

G. Provisions Necessary to Meet State and Local Laws

1. A resolution declaring the Baer Field development area to be an "Economic Development Area" has been adopted by the Fort Wayne Redevelopment Commission.
2. This Economic Development Plan indicates the extent and location of land acquisition, demolition, and public improvements.
3. No zoning changes are required by the Plan.
4. The Plan sets forth the permitted land use and all applicable building and development controls.
5. The Plan conforms to the stated objectives and guidelines of the City's Comprehensive Plan.



H. Procedure for Changes to the Economic Development Plan

The Economic Development Plan may be modified or varied at any time by a resolution of the Fort Wayne Redevelopment Commission, provided that any change directly and substantially affecting any property or contractual right vested in and by the effectuation of this Plan may be made only after the Commission has received written consent to the change from the owner of such vested right. It is further provided that if such vested right cannot be obtained or if the Redevelopment Commission deems the proposed change in the Plan to be substantial, the Commission shall approve such change only in accordance with the same procedure by which the Plan was originally adopted. The plan may be amended in accordance with Section 36-7-14-17.5 of the Indiana Code.

## II. Data Pertaining to the Adoption of a Declaratory Resolution

### A. Basis for a Declaratory Resolution

Section 36-7-14-41 of the Indiana Code provides that "the commission may determine that a geographic area is an economic development area if it finds that:

- (1) the plan for the economic development area:
  - (A) promotes significant opportunities for the gainful employment of its citizens;
  - (B) attracts a major new business enterprise to the unit;
  - (C) retains or expands a significant business enterprise existing in the boundaries of the unit; or
  - (D) meets other purposes of this section and sections 2.5 and 43 of this chapter;
- (2) the plan for the economic development area cannot be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to the powers allowed under this section and sections 2.5 and 43 of this chapter because of:
  - (A) lack of local public improvement;
  - (B) existence of improvements or conditions that lower the value of the land below that of nearby land;
  - (C) multiple ownership of land; or
  - (D) other similar conditions;
- (3) the public health and welfare will be benefited by accomplishment of the plan for the economic development area;
- (4) the accomplishment of the plan for the economic development area will be a public utility and benefit as measured by:
  - (A) the attraction or retention of permanent jobs;
  - (B) an increase in the property tax base;
  - (C) improved diversity of the economic base; or

- (D) other similar public benefits; and
- (5) the plan for the economic development area conforms to other development and redevelopment plans for the unit."

B. Findings

1. (1)(A) promotes significant opportunities for the gainful employment of its citizens;
- (1)(B) attracts a major new business enterprise to the unit; and
- (1)(C) retains or expands a significant business enterprise existing in the boundaries of the unit.

The planning area from which the economic development area was derived encompasses four divisions of land called sections, totaling 2,560 acres. An examination of the economic development area reveals that roughly 771 acres, or 30% of the planning area, is undeveloped acreage. Considering the economic development area alone, undeveloped acreage constitutes 72% of the total of useable land, which is equivalent to over two and one-half times the amount of developed area.

The establishment of the Baer Field Economic Development Area and implementation of this Plan will facilitate the development of the area north of the Fort Wayne International Airport. It is difficult at this time to accurately project the amount of business attraction, retention and expansion that will occur as a result of the formation of an economic development area. However, the potential is great for attracting new businesses to the area and creating employment opportunities, provided that the necessary public infrastructure is put in place. This is indicated by the amount of undeveloped acreage, the number of commercial real estate listings, proximity to the airport and the highway system, the amount of existing development, and suitable zoning.

A recently completed industrial development study, funded by the Redevelopment Commission and the Chamber of Commerce, projected demand for industrial sites over the next ten years and found that the present supply of readily developable acreage was inadequate. To address this shortage, the study recommended that the area around the airport, i.e., the area identified in this plan, be targeted for public investment to make the area suitable for development.

2. **(2)(a) lack of local public improvement.**

The inadequacy of the local public infrastructure has to date hindered the development of the area. The lack of public funds to address these problems has resulted in the extended delay of improvements which would accommodate development of significant benefit to the community. Water and sewer service to the area are both inadequate to serve present demand, and no additional capacity exists to serve future growth.

And, while the economic development area is located advantageously with respect to Interstate 69, the linkage is long, circuitous, and not engineered or built to carry much truck traffic. Also, the lack of an Ardmore Avenue extension does not allow direct access to the north.

3. **the public health, safety and welfare will be benefited by accomplishment of the plan for the economic development area.**

In addition to an increase in personal and real property taxes, the development of the area will generate sales tax, and gross income or adjusted gross income tax. The payroll resulting from the creation of jobs will also generate further purchases and an additional increase in tax revenue. Construction trade jobs will also be made available during the period construction of public and private improvements.

4. **the accomplishment of the plan for the economic development area will be of public utility and benefit as measured by: (a) the attraction or retention of permanent jobs; and (b) an increase in the property tax base.**

For the reasons stated in Item 1 above, the Redevelopment Commission finds that the attributes of the proposed Economic Development Area, when combined with the necessary public infrastructure improvements, will lead over the long term to job creation and retention and an increase in the property tax base.

5. **the plan for the economic development area conforms to other development and redevelopment plans for the unit.**

This Plan for the Economic Development Area conforms to the major goal policies, and strategies outlined in the Comprehensive Plan for the City of Fort Wayne. The proposed development is located in the area identified in the Comprehensive Plan as the "Outer Ring." Concerning this area, the Plan stated goal is: "... to encourage growth in a balanced manner that is within or adjacent to existing development in the Urban Service Area." In the policies and strategies section, the Comprehensive Plan recommends that water as



sewer be extended within, but not beyond, the Urban Service Area until the area is substantially developed. . That is exactly what this Economic Development Plan seeks to achieve: growth and investment in an underdeveloped part of the City, situated within the Urban Service Area.

Concerning the southwest sector of the Outer Ring, a sector which encompasses the airport and the proposed Economic Development Area, the Comprehensive Plan recognizes that the area around Baer Field is suitable for industrial development, discourages the extension of utilities to serve further than one-half mile south of Ferguson Road, and recommends improved access to I-69. These goals and policies are all in keeping with objectives of this Economic Development Plan.

C. Conclusion

The foregoing data illustrate that conditions in the Baer Field project area are such that its designation as an Economic Development Area is warranted in accordance with Indiana Code 36-7-14-41.

All necessary steps have been taken to permit the Redevelopment Commission to consider a declaratory resolution as required by the laws of the State of Indiana.

## LEGAL DESCRIPTION OF THE BAER FIELD ECONOMIC DEVELOPMENT AREA

\*\*\*\*\*

BEGINNING at the intersection of the west property line of Tract 12 (Sec. 5, T. 29 N., R. 12 E.) and the north property line of Tract 9 in the same Section. Thence northerly along the west property line of said Tract 12 to the north right-of-way line of Dalman Road; thence westerly along the north right-of-way line of Dalman Road to the east eight-of-way line of Smith Road; thence northerly along the east right-of-way line of Smith Road to the south property line of Tract 2B (SW 1/4 Sec. 32, T. 30 N., R. 12 E.); thence easterly along the south property line of said Tract 2B to the east property line of Tract 2B; thence northerly along the east property line of said Tract 2B, and continuing northerly along the east property line of Tract 2 in the same 1/4 Section, to the north property line of Tract 3 in the same 1/4 Section; thence easterly along the north property line of said Tract 3, and continuing easterly along the north property line of Tract 1 in the same 1/4 Section to the north property line of Tract 2 (SE 1/4 Sec. 32, T. 30 N., R. 12 E.); thence easterly along the north property line of said Tract 2, and continuing easterly along the north property line of Tract 1 in the same 1/4 Section to the west property line of Tract 1 (NE 1/4 Sec. 32, T. 30 N., R. 12 E.); thence northerly along the west property line of said Tract 1 to the south right-of-way line of Lower Huntington Road; thence easterly along the south right-of-way line of Lower Huntington Road to the top of the west bank of the Harber Ditch; thence southeasterly along the top of the west bank of said Harber Ditch, following its meanderings, to the east right-of-way line of the Norfolk Southern railway; thence northerly along the east right-of-way line of said Norfolk Southern railway to the south right-of-way line, extended, of Commercial Road; thence easterly along an extension of the south right-of-way line of said Commercial Road, and continuing easterly along the actual right-of-way line of Commercial Road to the west right-of-way line of Bluffton Road; thence southerly along the west right-of-way line of said Bluffton Road to the south property line of Tract 2 (NE 1/4 Sec. 4, T. 29 N., R. 12 E.); thence westerly along the south property line of said Tract 2 to the west property line of Tract 2; thence northerly along the west property line of said Tract 2 to the south property line of Tract 55 in the same 1/4 Section; thence westerly along the south property line of said Tract 55, and continuing westerly along the south property line of Tract 54 in the same 1/4 Section to the west right-of-way line of the Norfolk Southern railway; thence southerly along the west right-of-way line of said Norfolk Southern railway to the south property line of Tract 28 (NW 1/4 Sec. 4, T. 29 N., R. 12 E.); thence easterly along the south property line of said Tract 28 to the west right-of-way line of Airport Drive; thence southerly along the west right-of-way line of said Airport Drive to the north right-of-way line of Piper Drive; thence westerly along the north right-of-way line of said Piper Drive to the west property line of Tract 12 [SW 1/4 Sec. 4, T. 29 N., R. 12 E.) ("Seventh Street")]; thence northerly along the west property line of said Tract 12 to the south property line of Lot E, Eastburn Out Lots (Sec. 5, T. 29 N., R. 12 E.); thence westerly along the south property line of said Lot E to the east property line of Tract 19 in the same Section; thence northerly along the east property line of said Tract 19 to the east right-of-way of Indianapolis Road; thence northerly along the east right-of-way line of said Indianapolis Road to the point of intersection with an extension of the south property line of Tract 33 (Sec. 5, T. 29 N., R. 12 E.); thence westerly along said extension, and continuing along the south property line of said Tract 33 to the east property line of Tract 8 in the same Section; thence northerly along the east property line of said Tract 8 to the south property line of Tract 15 in the same Section; thence westerly along the south property line of said Tract 15, and continuing westerly along the south property line of Tract 12 in the same Section to the POINT OF BEGINNING.

**APPENDIX B**  
(dated December 8, 1995)

Baer Field Economic Development Area Owner Listing		
Key Number	Owner Address	AV - Land (L) AV - Improvements (I)
70-0005-0001	HBC Realty Corp. 510 W Washington Bv Ft Wayne IN 46802-2918	\$ 5,200.00 L
70-0005-0002	HBC Realty Corp. PO Box 10690 Ft Wayne IN 46853-0690	\$ 6,070.00 L
70-0005-0012	HBC Realty Corp. 510 W Washington Bv Ft Wayne IN 46802-2918	\$ 7,330.00 L
70-0005-0014	Robert D Sheets 9400 Indianapolis Rd Ft. Wayne IN 46809-9624	\$ 1,330.00 L
71-0005-0016	Hagerman Realty Corp PO Box 10690 Ft Wayne IN 46853-0690	\$ 2,000.00 L 8,200.00 I
70-0005-0018	Robert D Sheets 9400 Indianapolis Rd Ft Wayne IN 46809-9624	\$ 7,770.00 L 47,800.00 I
70-0005-0033	Robert D Sheets & Samuel J Roth 9400 Indianapolis Rd Ft Wayne IN 46809-9624	\$ 2,170.00 L 10,730.00 I
70-0005-0034	HBC Realty Corp PO Box 10690 Ft Wayne IN 46853-0690	\$ 1,600.00 L 16,400.00 I

70-0005-0042	DF Properties c/o Tom Ellis PO Box 9216 Ft Wayne IN 46899-9216	\$ 33,530.00 L 602,530.00 I
70-0005-0044	DF Properties (as above)	\$ 1,900.00 L
70-0005-0045	Richard A & Betty L Johnloz 8122 Ravinia Rd Ft Wayne IN 46825-3429	\$ 9,930.00 L 174,270.00 I
71-2521-0002	Theresa E Glaže PO Box 9040 Ft Wayne IN 46899-9040	\$ 39,800.00 L 388,930.00 I
71-2521-0004	TECO Inc 9733 Indianapolis Rd Ft Wayne IN 46809-9626	\$ 22,870.00 L 350,630.00 I
71-2521-0005	Waynedale Industries Inc 1109 Hathaway Rd Ft Wayne IN 46845-9347	\$ 32,970.00 L 191,870.00 I
71-2521-0006	Waynedale Industries Inc 1109 Hathaway Rd Ft Wayne IN 46845-9347	\$ 23,930.00 L 1,270.00 I
71-2521-0007	Waynedale Industries Inc 1109 Hathaway Rd Ft Wayne IN 46845-9347	\$ 7,370.00 L
71-2521-0008	Waynedale Industries Inc (same as above)	\$ 18,200.00 L
71-0004-0008	HBC Realty Corp 510 W Washington Bv Ft Wayne IN 46802-2918	\$ 900.00 L
71-0004-0043	HBC Realty Corp (same as above)	\$ 670.00 L
71-0004-0061	GIC Corp c/o Gerson International Corp 9100 Airport Dr Ft Wayne IN 46809-3039	\$ 29,630.00 L 184,830.00 I



71-0004-0048	Reindeer Associates c/o A J Zacher 444 E Main St Ste 203 Ft Wayne IN 46802-1910	\$ 1,430.00 L
71-0004-0047	Reindeer Associates (same as above)	\$ 3,430.00 L
71-0004-0021	Roger & Rhoda Ripright RR2 Box 175 Hamilton IN 46742-9802	\$ 2,000.00 L 8,060.00 I
71-0004-0064	Ticonderoga Co 3108 Covington Lake Dr Ft Wayne IN 46804-2514	\$ 12,830.00 L 48,000.00 I
71-0004-0065	Ticonderoga Co (same as above)	\$ 12,830.00 L 48,430.00 I
71-0004-0066	Ticonderoga Co (same as above)	\$ 12,230.00 L 118,400.00 I
71-0004-0010	Bradford Partners 3108 Covington Lake Dr Ft Wayne IN 46804-2514	\$ 3,700.00 L
71-0004-0057	Bradford Partners (same as above)	\$ 70.00 L
71-0004-0042	David P & Susan R Schenkel c/o DPS Co Inc 9910 Airport Dr Ft Wayne IN 46809-3041	\$ 50,200.00 L 147,100.00 I
71-0004-0059	FYS Associates 24 River Rd Bogota NJ 07603-1522	\$ 96,100.00 L 365,330.00 I
71-0004-5012	Ft Wayne-Allen Co Airport Authority Lt Paul Baer Terminal #209 Ft Wayne IN 46809	Non-taxable entity
71-0004-2069	Missionary Church Inc 3901 S Wayne Av Ft Wayne IN 46807-2230	\$ 6,500.00 L 115,870.00 I

71-0004-8060	Reindeer Associates c/o A J Zacher 444 E Main St Ste 203 Ft Wayne IN 46802-1910	\$ 7,730.00 L
71-0004-0067	Avis Rent-A-Car System Inc Regional Dir. - Properties 900 Old Country Rd Garden City NY 11530	\$ 3,530.00 L
71-0004-0076	PHD Inc PO Box 9070 Ft Wayne IN 46899	To Be Assessed
71-0004-0075	PHD Inc. (same as above)	To Be Assessed
71-0004-0074	Genova Products Inc 7034 E Court St Box 309 Davison MI 48423	To Be Assessed
71-0004-0058	Genova-Indiana Inc 7034 E Court St Davison MI 46423-2546	\$ 63,870.00 L 1,007,270.00 I
71-0004-0028	Topvalco Inc c/o Real Estate Dept / The Kroger Co 5960 Castleway West Dr Indianapolis IN 46250-1977	\$ 48,500.00 L 853,530.00 I
71-0004-0054	HBC Realty Corp PO Box 10690 Ft Wayne IN 46853-0690	\$ 20,600.00 L
71-0004-0053	Penske Truck Leasing Co L.P. PO Box 563 Reading PA 19603-0563	\$ 7,400.00 L
71-0004-0055	Penske Truck Leasing Co L.P. (same as above)	\$ 43,000.00 L 36,800.00 I
71-0004-0002	Vasilca Stoyanoff Chris Stoyanoff - PR 2230 Maples Rd Ft Wayne IN 46816-2424-	\$ 2,330.00 L

71-0004-0050	Menasha Corp Accounting Dept. PO Box 367 Neenah WI 54957-0367	\$ 41,930.00 L 414,070.00 I
71-0004-0051	Fort Wayne Wire Die Realty Co 2424 American Wy Ft Wayne IN 46809-3005	\$ 28,030.00 L 3,430.00
71-0004-0056	Industrial Cleaning Services Inc PO Box 9332 Ft Wayne IN 46899-9332	\$ 16,030.00 L 49,430.00 I
71-0004-0052	Servomation Corp 1601 W Kilgore Av Muncie IN 47304-4912	\$ 40,200.00 L 47,870.00 I
71-0004-0001	Hagerman, Theodore F & HBC Realty Corp PO Box 10690 Ft Wayne IN 46853-0690	\$ 15,830.00 L
71-0004-0045	K&H Realty Corp 200 E Main St Ste 610 Ft Wayne IN 46802-1900	\$ 60,900.00 L 428,800.00 I
71-4655-0001	PHD Inc PO Box 9070 Ft Wayne IN 46899-9070	\$ 6,230.00 L
71-4655-0002	PHD Inc (same as above)	\$ 8,070.00 L
71-4655-0003	PHD Inc. (same as above)	\$ 3,330.00 L
71-4655-0004	PHD Inc (same as above)	\$ 26,200.00 L 545,170.00 I
71-4655-0005	PHD Inc (same as above)	\$ 3,500.00 L
71-4915-0005	PHD Inc (same as above)	\$ 4,370.00 L
71-4915-0006	PHD Inc (same as above)	\$ 3,530.00 L

71-0004-8014	Tokheim Corp 1602 Wabash Av Ft Wayne IN 46803-2602	\$ 2,600.00 L
95-0315-3012	Blue Jay Associates PO Box 60 Ft Wayne IN 46801-0060	\$154,000.00 L 616,600.00 I
95-0315-3011	Indiana Michigan Power Co PO Box 60 Ft Wayne IN 46801-0060	\$ 51,670.00 L 5,430.00 I
95-0315-0010	Criswill Corp c/o J Robert Brown 4940 S 080 East Wolcottville IN 46795-9267	\$ 23,930.00 L 124,270.00 I
95-0312-0003	Nickel Plate Imp Co Inc Taxation Dept 110 Franklin Rd SE Roanoke VA 24042-0002	\$ 77,300.00 L
95-0312-0018	Georgia Pacific Corp 133 Peachtree St NE PO Box 105605 Atlanta GA 30348-5605	\$ 70,500.00 L 214,130.00 I
95-0312-0023	Pejus Inc 8607 Temple Dr Ft Wayne IN 46809	\$ 20,500.00 L 80,730.00 I
95-0312-1012	Richard Langeland 8617 Temple Dr Ft Wayne IN 46809-3048	\$ 6,170.00 L 4,400.00 I
95-0312-0011	FW Wire & Die Realty Co 2424 American Wy Ft Wayne IN 46809-3005	\$ 9,770.00 L 12,930.00 I
95-0312-0017	Menasha Corp Accounting Dept PO Box 367 Neenah WI 54957-0367	\$ 2,500.00 L
95-0312-0020	FW Wire & Die Realty Co 2424 American Wy Ft Wayne IN 46809-3005 --	\$ 15,830.00 L 375,100.00 I



95-0312-0004	Carnation Co c/o Nestle Holdings Inc 5 High Ridge Pk Stamford CT 06905-1326	\$ 164,100.00 L 1,368,730.00 I
95-0312-6006	City of FW Kunkle Valve Co PO Box 1740 Ft Wayne IN 46801-1740	\$48,470.00 L 500,200.00 I
95-0312-0009	Kunkle Industries Inc (same address as above)	\$20,470.00 L
95-0312-0002	Bowmar Instrument Corp 8000 Bluffton Rd Ft Wayne IN 46809-3018	\$80,230.00 L 463,900.00 I
95-0312-0010	Bowmar Instrument Corp (same as above)	\$25,200.00 L
95-0312-0013	Foamex L.P. 1000 Columbia Av Linwood, PA 19061	\$ 75,930.00 L 1,205,770.00 I
95-0312-0021	Foamex L.P. (same as above)	\$10,570.00 L 170.00 I
95-0317-0004	Marvin J Herb c/o Coca-Cola Bottling Co 5000 W 25th St Speedway IN 46224-3378	\$158,000.00 L 909,530.00 I
95-0317-0003	HBC Realty Corp PO Box 10690 Ft Wayne IN 46853-0690	\$ 5,600.00 L
95-0317-0007	HBC Realty Corp (same as above)	\$ 4,900.00 L 7,600.00 I
95-0317-0001	HBC Realty Corp (same as above)	\$ 8,330.00 L
95-0316-0002	HBC Realty Corp (same as above)	\$ 9,930.00 L

95-0316-0001	HBC Realty Corp 510 W Washington Bv Ft Wayne IN 46802-2918	\$11,270.00 L
95-0315-0014	HBC Realty Corp (same as above)	\$ 7,770.00 L
95-0315-0015	Michael Ladney 42900 Executive Dr Harrison Township MI 48045-1318	\$ 44,300.00 L 862,470.00 I
96-0085-0001	Nickel Place Imp Co Inc Taxation Dept 110 Franklin Rd SE Roanoke VA 24042-0002	\$ 44,630.00 L
96-0078-0001	Marilyn Manochio Baker Tr 3245 Rio Dr Apt 1002 Falls Church VA 22041-2142	\$ 6,170.00 L 3,170.00 I
96-0083-0011	Marjorie M Sauerteig 5321 Old Mill Rd Ft Wayne IN 46807-3016	\$ 470.00 L
95-0312-3022	Norfolk & Western Railway Co	Not locally assessed
71-0005-0003	Arthur Robert & Edith Keller 7003 Monterey Ave Ft Wayne IN 46819-1341	\$ 2,000.00 L \$14,400.00 I
71-0005-0024	Kathy Jean Hanshaw 9325 Indianapolis Rd Ft Wayne IN 46809-9779	\$ 1,900.00 L \$ 4,600.00 I
71-0005-0004	Karl M & Vickie L Niblick 9403 Indianapolis Rd Ft Wayne IN 46809-9624	\$ 1,900.00 L \$ 5,900.00 I
71-0005-0025	Clarence R Keller 9413 Indianapolis Rd Ft Wayne IN 46809	\$ 1,000.00 L
71-0005-0027	Clarence R & Myrtle C Keller 9413 Indianapolis Rd Ft Wayne IN 46809	\$ 1,870.00 L \$ 6,800.00 I

71-0005-0005	Ruth E Keller PO Box 9054 Ft Wayne IN 46899	\$ 2,770.00 L \$ 6,270.00 I
71-0005-0023	Ruth E Keller (same as above)	\$ 1,000.00 L \$ 3,130.00 I
71-2521-0001	Daniel Z & Rosalin I Unverzagt 9503 Indianapolis Rd Ft Wayne IN 46809-9625	\$ 2,000.00 L \$24,300.00 I





**BLUFFTON ROAD EAST  
ECONOMIC DEVELOPMENT AREA  
PLAN**

Allen County Redevelopment Commission

September 19, 1995

## INTRODUCTION

The community's success in attracting new companies and facilitating the expansion of existing companies during the 1980's was the result of a unified effort at all levels of government as well as the private sector. The City of Fort Wayne and Allen County aggressively pursued federal and State grants to capitalize low-interest loan programs, develop an industrial park, and extend infrastructure. Both local units of government used tax abatement and Industrial Revenue Bonds (IRBs) as financial inducements. The Chamber of Commerce spearheaded a major fund drive that, at the time, raised more money than any other Chamber of Commerce in the country.

With this effort, the community rebounded from the loss of International Harvester's manufacturing operation and the associated double-digit unemployment. The ITT SINGARS facility followed by the General Motors announcement within a few months gave the community a belief that when times were tough the community could work together to achieve a common goal. In this case, it was to restore economic stability. At other times, it was to battle natural disasters such as the flooding in 1982 and 1984.

This quick rebound from the loss of International Harvester's manufacturing operation created a mind set in the community that if a company is willing to locate or expand then the community will do what it needs to do in order to facilitate the development. However, the lack of ready to develop industrial property, changes in economic development funding, and the site selection and development process makes this mind set a barrier to continued success in economic development.

The attraction of new companies and expansion of existing companies since the mid-1980's has depleted most of the ready to develop industrial sites in Allen County. This includes the new industrial parks that were platted during this time. The recently completed study by Thorne Consultants on industrial land needs in the community projects that there will be a demand for more than 800 acres of industrial land until 2005. Thorne also notes that the community has 1,199 acres of land in industrial parks, but only 405 acres are developable. This difference is due to lack of sewer interceptor capacity and water capacity. Also, the available land is the same type of product. The community does not have a good mix of different types of industrially zoned land. Our past successes have created a problem with our inventory of developable sites.

The changes in the site selection and development process further magnify the problem resulting from a lack of an inventory of developable sites. The time constraints faced by companies looking to open a new operation or expand an existing one gives a community that has a sufficient supply of developable industrial land a competitive advantage when competing for these new operations. With all of the competition between communities for a limited number of new projects, offering a piece of farm ground as a site is no longer acceptable. Companies want property that is appropriately zoned, serviced by adequate public water and sewer, and has an established price. Many communities have responded to these changes by developing their own

industrial parks or entering into cooperative agreements with private developers to jointly develop an industrial park.

Just as the site selection development process has changed, so too has economic development financing changed. As noted earlier, the city and county relied heavily on federal and State grant programs for infrastructure financing in its only effort at industrial park development. The local source of funding used to leverage the federal and State grant dollars came predominantly from the city's utilities accounts. Several federal programs such as the Urban Development Action Grant (UDAG) and Economic Development Administration grants are either no longer available or the community no longer qualifies for funding. The Indiana Department of Commerce previously funded 75% of the cost of infrastructure for a project, but now only funds a maximum of 25% of the infrastructure cost. The shift in financing economic development has gone from the federal and State level to the local level.

In addition to General Obligation Bonds, the State has provided communities with mechanisms to fund infrastructure projects. These mechanisms include the County Option Income Tax (COIT), County Economic Development Income Tax (CEDIT), and the ability to use Tax Increment Financing (TIF). With reduced funding from the State and federal levels, TIF has become the financing mechanism of choice. The reasons for favoring TIF include the fact that TIF is not a tax on the property or incomes of the community's citizens like G.O. Bonds, COIT and CEDIT. Also, TIF is based on an **increase** in assessed value. So, using the increase from assessed value to cover the infrastructure costs for that project, makes the project self-contained. One downside to using TIF, especially in cases where the project is receiving tax abatement, is there is no increment in the first few years so the interest must be capitalized or cash from another source must be used to cover the first few bond payments.

Given a sudden downturn in the community's economy, there is no doubt the community would undertake a unified effort to restore economic stability. However, with a 3.9% unemployment rate and the local economy being considered by most as robust, there is no near-term expectation that the community could face an economic downturn as it did in the early 1980's. The community has, in recent years, faced opportunities to further its economic base that it could not capitalize on for lack of adequate developable industrial property.

The first such opportunity occurred in 1991-1992 when the U.S. Postal Service was looking for a site for its hub sorting facility. Based on a point system, the community was ranked second as a result of a lack of proper zoning and an adequate transportation network. In response to this, the Allen County Plan Commission reacted by rezoning the proposed site to an industrial classification.

The Nestle distribution facility could have very well been the next project to locate elsewhere as a result of lack of available sites. Fortunately, the Nestle development had time to go through the rezoning process and the Economic Development Area designation process, and did not require tax abatement. Unlike the Postal Service project, Nestle was a significant business retention

project. The community would have lost several well-paying jobs if Nestle had decided to relocate.

Since Nestle's location at the intersection of I-469 and Bluffton Road, there have been numerous inquiries regarding nearby properties. In January of 1995, the community had the opportunity to be the location of a Best Buy distribution facility. Again, as the result of a lack of appropriate zoning and lack of infrastructure, the community was runner-up to Findlay, Ohio. Earlier this year, the community was on the short list for a major manufacturing operation that would have created over 500 jobs paying in excess of \$12.00 per hour. Currently, the site northeast of Nestle, and the focus of the following plan, is being presented to two companies for 500,000 square foot distribution facilities.

Not only is this plan being prepared for what is referred to as the Bluffton Road East site, but the site is also being rezoned to an industrial classification. Like the Postal Hub site, these actions may seem like a reaction to a lost project, but these steps are being taken in conjunction with other Economic Development Area designations to facilitate funding necessary infrastructure improvements as well as ensure that there is ready to develop industrial sites.

Several water and sewer projects have been identified that are needed in order to support additional development in the southwest area. The City of Fort Wayne is designating the Baer Field Industrial Park area as an EDA to address specific infrastructure issues. The General Motors property is being designated as an EDA by the Allen County Redevelopment Commission to fund water and sewer projects as well as the Dalman Road extension, all of which will further enhance the development potential of the area. So, the designation of the Bluffton Road East property as an EDA and the rezoning of the property to an industrial classification will assist in allowing the community to take advantage of opportunities that are presented in the future.

## **THE BLUFFTON ROAD EAST ECONOMIC DEVELOPMENT AREA**

The Bluffton Road East Economic Development Area Plan covers an area south of Fort Wayne, Indiana in a portion section 15 of Pleasant Township (see attached map). The area is more specifically described as follows:

Beginning at the east right-of-way line of Bluffton Road at its intersection with the north right-of-way line of Pleasant Center Road, then north approximately 3950 feet, then east approximately 3270 feet, then south approximately 1325 feet, then west approximately 660 feet to the center point of section 15, then south approximately 2630 feet to the north right-of-way line of Pleasant Center Road, then west to the point of beginning.



Within the Economic Development Area, there will be an allocation area established for the purpose of collecting tax increment financing revenue from any increase in assessed value. The allocation area is coterminous with the above described Economic Development Area.

## **ISSUES THAT MUST BE ADDRESSED**

The Economic Development Area Plan must address five issues. First, the plan must facilitate job retention and job creation or adhere to other purposes of the redevelopment statute. Second, the implementation of the plan should be of public benefit. The third issue is that the findings of the plan should demonstrate that the implementation of the plan could not be achieved by regulatory processes or by private enterprise. Fourth, the plan must benefit the health and safety of the citizenry. Lastly, the Economic Development Area plan must be in agreement with other development and redevelopment plans.

### **Issue I**

In determining that the plan facilitates job creation and retention, the plan must find that if the area is designated as an Economic Development area, it will;

- 1) promote significant opportunities for the gainful employment of its citizens;
- 2) attract a major new enterprise to the unit;
- 3) retain or expand a significant business enterprise existing in the boundaries of the unit; or
- 4) meets other purposes of the redevelopment legislation.

The Bluffton Road East Economic Development Area Plan meets other purposes of the redevelopment statute. As stated, the redevelopment legislation not only allows for Economic Development Area designations, but also allows the commission to fund public infrastructure improvements through tax increment financing. The purpose of this plan is to fund such improvements in order to provide a large ready-to-develop industrial site and enhance the desirability of neighboring areas.

While this plan does not directly attract a major new enterprise, the final objective is to attract such an enterprise by providing a ready-to-develop site in an area deemed desirable by potential prospects. The recent interest of Best Buy in the area to be designated shows that this area is desirable to prospects, but the lack of public improvements has hindered actual development. . The adoption of this plan will allow the use of tax increment financing to fund the extension of water and sewer lines, increasing the sewer capacity, and improving the roads.

These improvements, which are more specifically described below, as well as completion of Interstate 469 and improvements to the airport will make all the industrial land surrounding the airport more attractive for development. This will assist local economic development agencies in attracting major new developments and employment opportunities, and avoid the situation which occurred with Best Buy. These improvements also represent a continued commitment on the part of Allen County government to invest in infrastructure improvements to serve future development.

### Finding

The Commission finds that the plan does meet other purposes of the redevelopment legislation such as the provision of improved public facilities. Also, the implementation of the plan increases the area's potential for attracting a major new enterprise to the county.

### **Issue II**

The Commission must show that the implementation of this plan will be of public utility and benefit. In demonstrating this the Commission must use one or more of the following measures:

- 1) the attraction or retention of permanent jobs,
- 2) an increase in the property tax base, or
- 3) improved diversity in the economic base or other similar benefits.

This issue is perhaps the most pivotal to the success of this plan. Because no particular project is currently in line for development, the public benefit of this project in terms of jobs and tax base is somewhat speculative. In order to prove that this plan will be of public utility and benefit, consideration must be given to whether this project attract jobs to Allen County or if it will increase the property tax base. Almost any industrial development will increase the tax base as well as create jobs, so the main question is: Will sufficient industrial development result from the implementation of this plan? There is an established precedent which defends the positive response to all these questions.

The Cook Road area, as previously mentioned, establishes a proven precedent that the provision of infrastructure and proper zoning can result in substantial industrial development in Allen County. The development of the area began in 1979 with the rezoning of 112 acres along Cook Road to an industrial classification. This area eventually became Summit Industrial Park. But development did not immediately occur because of the lack of proper infrastructure. This was remedied in 1983, when a \$1.7 million grant from the Economic Development Administration was awarded to the City of Fort Wayne to improve the water system in the Cook Road area to a level adequate to support industrial development. In the same year, ITT announced an \$11,000,000 investment in a manufacturing facility located on Cook Road. The following year, the City received another grant from the Economic Development Administration to assist in the

construction of Summit Park. Further improvements occurred in 1987, when the County received a state grant to assist in widening Cook Road in order to handle the increased traffic expected with future industrial developments. Also in 1987, ITT began construction of a new administrative/engineering complex at the Lima and Cook Road intersection.

ITT alone has invested over \$50 million in the Cook Road area over the last ten years. In addition to the capital investment, ITT has created numerous jobs. In 1977 ITT was the 24th largest employer in Allen County with fewer than 700 employees and is now the 6th largest employer with over 2,500 employees. But, the ITT investment is not the only benefit of these infrastructure improvements.

Another result of the improvements is the construction of privately platted industrial parks. In addition to Cook Road Industrial Park, which existed prior to the improvements, and the publicly operated Summit Park, Liberty, Northrop, Stone Pointe, and Cross Creek Industrial parks were platted in the Cook Road area. These parks contain over 300 acres of industrially zoned land over two thirds of which has been developed. More than 30 different businesses have absorbed over 200 acres of industrial land in the Cook Road area since the infrastructure improvements were made. Summit and Liberty Park have been completely absorbed by industrial development. In fact, Northrop Industrial Park is the only one with a considerable amount of land available. Only 14 acres of this 84 acre park are developed, but this is primarily due to the lack of internal roads, which must be provided by the developer. Stone Pointe and Cook Road have seen approximately 70% of their available land be absorbed by development. Even the 15 acre Cross Creek Industrial Park, which was platted just two years ago, has had two developments absorb almost 4 acres, and has a pending development which should claim another 5 acres.

#### **Industrial Park Development In the Cook/Lima Road Area**

<b>Date Opened</b>	<b>Industrial Park</b>	<b>Total Acres</b>	<b>Acreage Developed</b>	<b>Available Acreage</b>
1980	Cook Road Office & Industrial Park	79	54	25
1984	Summit Park Business Campus	93	93	0
1986	Northrop Industrial Park	84	14	70
1987	Stone Pointe Industrial Park	23	17	6
1989	Liberty Industrial Park	45	45	0
1993	Cross Creek Industrial Park	15	4	11
	TOTALS	339	227	112



The number of acres developed; of course, is not necessarily indicative of the economic impact of these developments. The important numbers are the amount invested and the jobs created. As was mentioned, ITT has invested over \$50 million in the Cook Road area, and created almost 2,000 new jobs in the County since 1977. The manufacturers which filled the 45 acre Liberty Industrial Park invested over \$5.5 million in new construction and created over 350 new jobs.

The Cook Road area is an excellent precedent showing use of infrastructure improvements as an economic development tool to attract investment and jobs to Allen County. A similar investment in infrastructure in the airport area could reap even greater benefits. Originally the Cook Road area had only 350 acres of industrially zoned land available. This plan seeks to designate 260 acres of land as an economic development area. The land currently is split into only four parcels which are controlled by two owners. These factors will allow for much larger developments than those occurring along Cook Road. This area is perfect for large distribution centers similar to the Nestle facility. Nestle, which is located south of the Bluffton Road East Area, invested approximately \$50 million and created or retained 80 jobs when improvements were made to that site.

The potential may only be realized, however, if the area is deemed desirable by prospects. Infrastructure and properly zoned land alone may not attract development. The area must be desirable to developers. The Cook Road area was desirable because of highway and interstate access. With completion of I-469, the same argument can be made for the airport area. This area not only has excellent access to highways and the interstate, but is also in close proximity to the airport terminal. Unlike in the early days of the Cook Road area, the desirability of this area is not speculation. The presence of the Nestle facility and the interest shown by Best Buy serve as evidence in support of this argument. The Best Buy investment of an estimated \$30 million would have increased the Pleasant Township taxing district's assessed value by nearly twenty five percent (25%). Best Buy also anticipated hiring over 200 new workers. However, the site was eliminated because of the lack of proper zoning and infrastructure. The economic development area plan for the Nestle project warned of such an occurrence. Every year, local economic development agencies have prospects interested in large ready-to-develop sites. The interest is there, but the sites are not.

Implementation of this plan will assist local economic development agencies in landing one of the aforementioned prospects and bring a substantial development to the airport area. The result of such development will be an increase in the tax base and the creation of jobs. Based on the Cook Road precedent and the past interest shown in this area, it is easy to conclude that implementation of these infrastructure improvements will be of public utility and benefit to Allen County.

#### Finding

Based on the evidence provided above, the Commission finds that the implementation of this plan will be of benefit and public utility to the county and its citizens. The plan will attract jobs, increase the tax base, and improve the diversity of the local economy.



### Issue III

The commission must demonstrate one of the following tests is met in finding that the implementation of the plan cannot be achieved by regulatory processes or by private enterprise:

- 1) lack of public improvements;
- 2) existence of improvements or conditions that lower the value of land below that of nearby land;
- 3) multiple ownership of land; or
- 4) other similar conditions.

As previously mentioned, this area lacks the public facilities necessary to promote expansion and attract development. The needed public improvements include extension of a water line, extension of a sewer line, upgrading the sewer capacity, and road improvements.

#### Water Improvements

In 1993, the I-469/Bluffton Road EDA was implemented in order to provide water service to the new Nestle Distribution Center located approximately one-fourth mile south of the area described in this plan. A 24" water line was extended to the Bluffton Road/Pleasant Center Road intersection from the west side of Fort Wayne International Airport. However, the property on the east side of the airport, including the development area, is still void of public water. It will be necessary to extend the Pleasant Center Road line north along Bluffton Road to an existing line at American Way. In addition, it is necessary to install a water main extension along Ferguson Road from west of the railroad to Bluffton Road. These improvements will provide sufficient public water to this economic development area and the east side of the airport. Also, this will provide a loop in the system will improve service to the entire area surrounding the airport. The estimated cost of the installation of water mains is \$921,950.

#### Sewer Improvements

The sanitary sewer system in this area will need a substantial upgrade in capacity in order to serve the demands that will be made on it by future development in the area. Currently, there is no interceptor design capacity available to service new development. In the short term, new developments could be served by replacing the pumps in an existing lift station. However, to maintain improved capacity, improvements must be made to the Harber Ditch Interceptor by extending it north along the Harber Ditch to the existing main at American Way. Replacing the pumps will cost approximately \$50,000. The estimated cost of the Harber Ditch Interceptor improvements is \$1,650,915. In addition to these improvements, over one million dollars is already budgeted for other sewer improvements in the area in 1996. These improvements will generate 0.72 CFS of interceptor design capacity to serve the project. Finally, the sewer line running along the Harber Ditch will need to be extended to the development area. The lateral to

the site will cost approximately \$98,910. The total estimated cost of sewer improvements necessary for this project is \$1,799,825.

#### Road Improvements

In 1993, road improvements were made to the Bluffton Road/Pleasant Center Road intersection as a result of the I-469/Bluffton Road EDA plan. The intersection was widened and signalization was installed. Also, to account for the increased traffic resulting from the Nestle development, Pleasant Center Road was upgraded and accel/decel lanes were installed. Similar improvements will be needed on Bluffton Road north of the Pleasant Center intersection when development occurs. Because the exact improvements necessary are not known at this time, no cost estimates for the road improvements are available. However, these and any other public improvements that may become necessary will be financed through the TIF process.

The estimates of the above water and sewer projects are as follows:

Water Main extension--		\$ 921,950
Sewer Projects		
Replace pumps--	50,000	
Main extension--	1,650,915	
Lateral to site--	<u>98,910</u>	
		<u>1,799,825</u>
Total Estimated Cost		\$2,721,775

#### Finding

Based on the aforementioned, the Commission finds that the provision of public utilities required for the distribution facility at the cost estimated could not be done through regulatory process or private enterprise.

#### **Issue IV**

The Commission must find that the accomplishment of this plan benefits the public health and welfare of its citizens. There are no specific measures provided in state law as to how the Commission demonstrates that its findings meet this requirement. However, any improvement to both public health and welfare should demonstrate that implementing this plan is of benefit.

The provision of public utilities to the area that will result from implementation of this plan has already been described above. Those improvements will increase the public health and welfare of those using the area.

The road improvements which may be proposed will benefit all those who travel in this area. The improvements will make travel safer along Bluffton Road and at the Bluffton Road/Pleasant Center Road intersection. This is particularly important near the elementary school that is located at that intersection.

The extension of water lines will allow all in the area who currently do not have public water, access to public water. In addition, by creating a loop in the line, everyone along the line will enjoy improved service. Increasing the sewer capacity will also improve service to everyone in the area. These improvements represent a community investment to serve further development in the area.

#### Finding

The Commission finds that the improvements, which are detailed in Issue II, and hence this plan, will be of benefit to the public health and welfare of the citizens of Allen County.

#### **Issue V**

The last issue the Commission must address in making the determination that the area in question is an Economic Development Area is whether the plan for the area conforms to other development and redevelopment plans of Allen County.

The area to be designated runs along the east boundary of the Southwest Allen County Land Use Plan, which was accepted as an amendment to the comprehensive plan by the Allen County Plan Commission. The Southwest Allen County Plan was created as a result of General Motor's decision to locate in rural southwest Allen County. The plan's boundaries include the area surrounding the GM facility as well as the area surrounding Fort Wayne International Airport, commonly known as Baer Field. Bluffton Road was chosen as the eastern boundary for the study, because it was the only major physical boundary within two miles of the airport's east side. This proposed economic development area lies on the east side of Bluffton Road and, though it does not fall directly within the study area, it is contiguous to subarea D of the study. It follows that the policies and recommendations of the Southwest Allen County Land Use plan should apply to the area.

The Southwest Allen County Land Use Plan recommends that the area surrounding the airport, or subarea D, be developed industrially. Specifically, the plan determined that, "Aggressive steps should be undertaken by local government to encourage quality industrial development in the immediate vicinity of Baer Field."<sup>1</sup> Even more specifically, the plan targets the areas east and south of the airport for development with industrial uses. By encouraging industrial development to concentrate around the airport as opposed to more rural areas, rural/urban land use conflicts can be minimized. Also, the study found that residential development should be discouraged in areas around the airport that are adversely affected by airport noise, such developments could create pressure to limit aircraft operations. Industrial land uses, on the other hand, are minimally impacted by airport noise.

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<sup>1</sup> Southwest Allen County Land Use Study, November 1985, Prepared by the Allen County Plan Commission, Northeastern Indiana Regional Coordinating Council, and the City of Fort Wayne Community Development and Planning



The study recommends that local government make an effort to supply the area with the full range of public facilities in order to encourage industrial development. Among the specific public improvements discussed in the land use plan are the improvements to the Harbor Ditch interceptor which were previously detailed in this plan. The study further recommends that well planned industrial developments could be attracted to the area by use of economic development incentives.

As the land use study suggests, the designated area should be rezoned. Currently, the area to be designated in this plan is zoned for residential and agricultural uses. The majority of the area proposed for designation is zoned RS-1/Suburban Residential. The easternmost portion which contains twenty acres is zoned A-1/Agricultural (see Map No. 2). In order to comply with the intent of the Southwest Allen County Land Use Plan, the Redevelopment Commission, upon approval of this economic development plan, will implement the following land use plan and development controls for the designated area:

- 1) The Allen County Redevelopment Commission, by the power granted it by state statute, limits the permitted land uses and development controls of the designated area to those associated with a I-2(P)/Planned General Industrial district, as set forth in the Allen County Zoning Ordinance.
- 2) The entire designated area will be rezoned from RS-1/Suburban Residential and A-1/Agricultural to I-2(P)/Planned General Industrial (see Map No. 3).
- 3) The land use provisions, building requirements, permitted uses, development controls, and other regulations will be subject to the regulation and controls in the Allen County Zoning Ordinance.

#### Finding

The Commission finds that this plan conforms with the Allen County Comprehensive Plan as amended. The Commission will exercise its power to limit the uses in the designated area to those of an I-2(P) zoning district. This zoning conforms with the recommendation made in the Southwest Allen County Land Use Study that the area surrounding the airport be used for industrial purposes.

### **ENFORCEMENT OF THE ECONOMIC DEVELOPMENT AREA PLAN**

The Commission will enforce this plan in the following way:

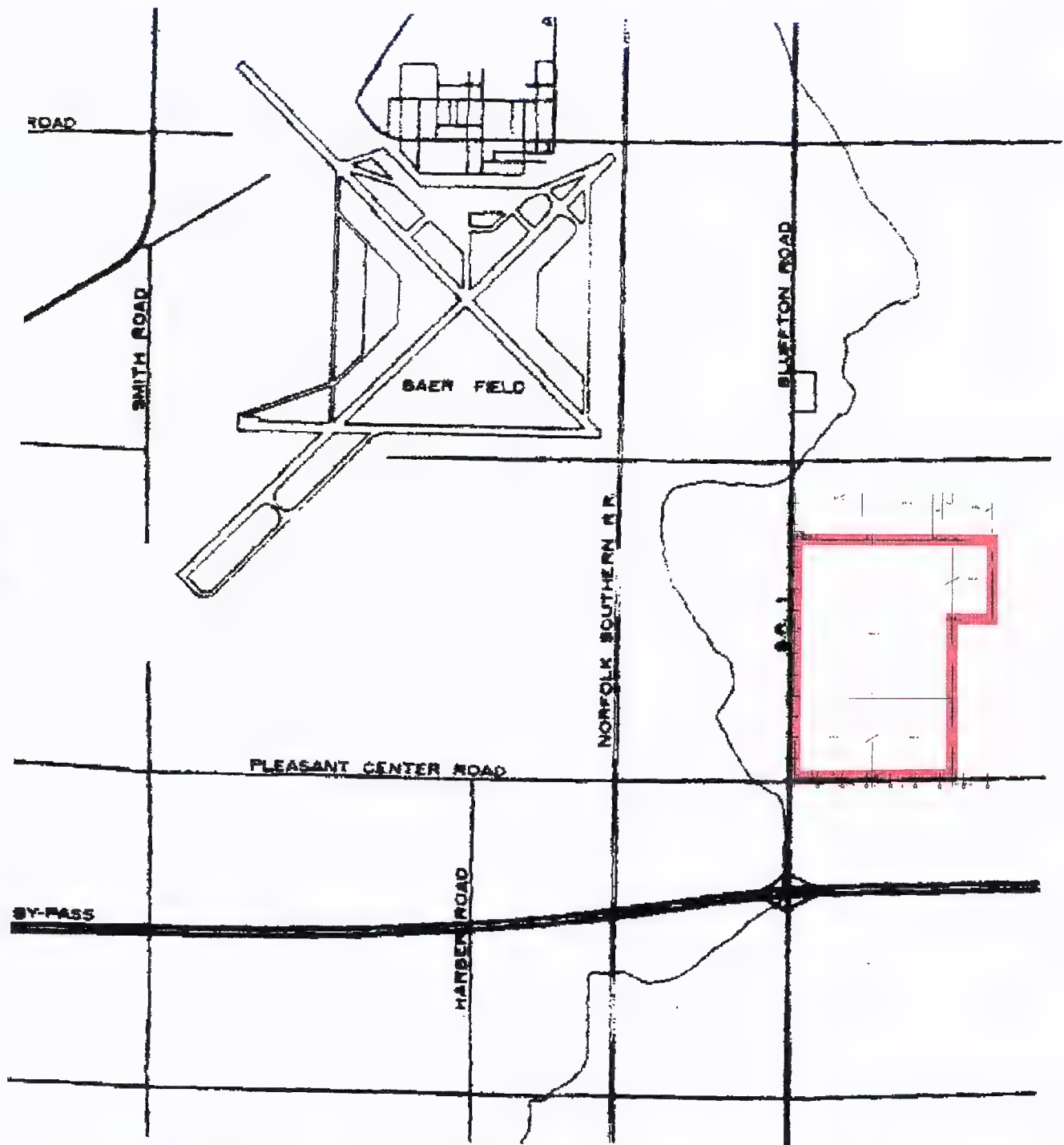
- 1) The Redevelopment Commission or its staff will serve notice to all affected boards, commissions, departments, divisions, agencies, or officers that are involved with the issuance of permits, certificates, variances, tax allocation, or



any other items effecting the use or development of property within the Economic Development Area Plan; and,

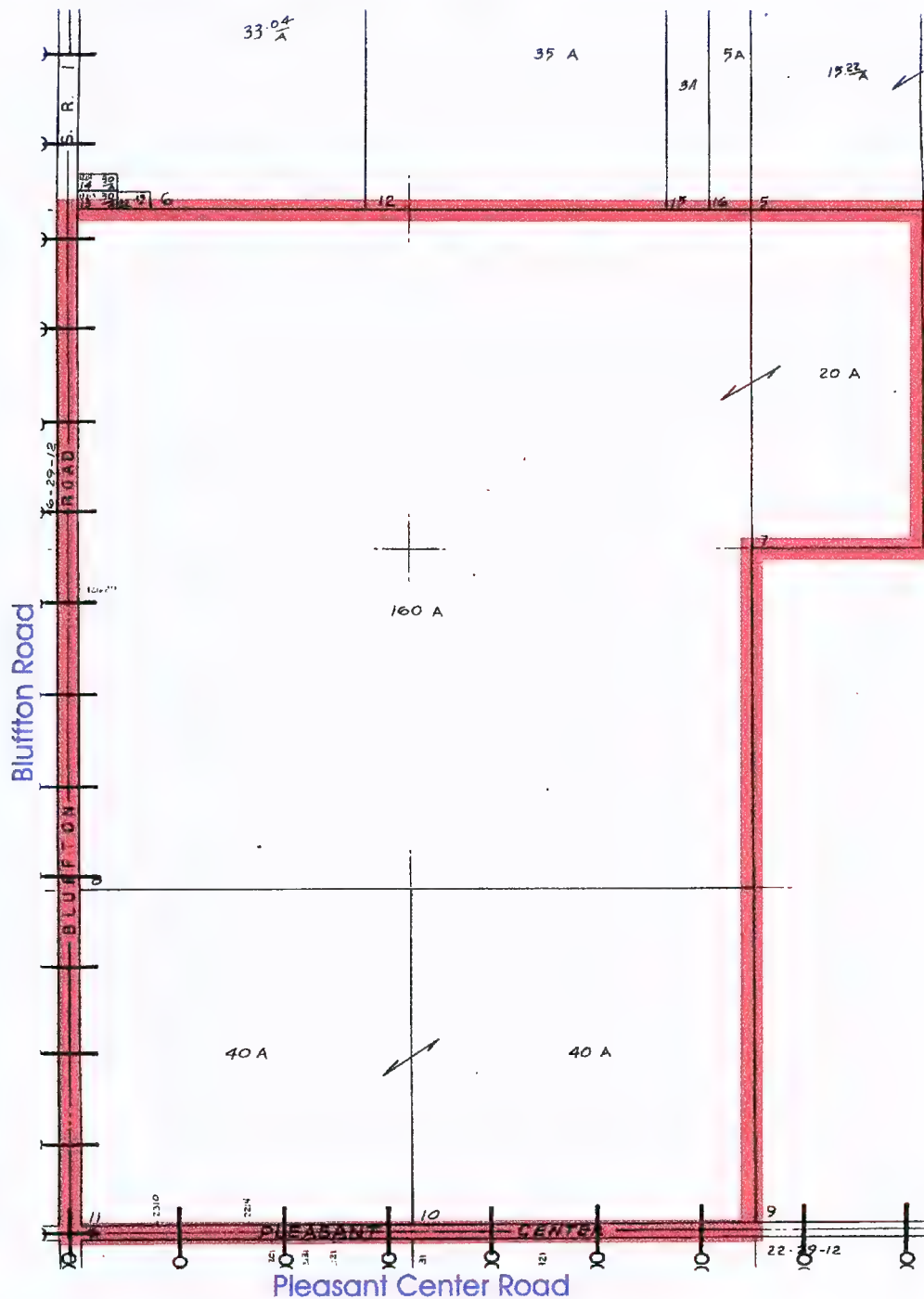
- 2) The Redevelopment Commission shall have the responsibility to review and approve any action listed above prior to the issuance of permits, and certificates. The commission will also be responsible for reviewing and approving the allocation of tax revenues in accordance with I.C. 36-7-14 et seq.; and,
- 3) This plan, its regulations, and requirements shall be in effect for a period of Fifty(50) years from the date of its adoption by a confirmatory resolution of the Allen County Redevelopment Commission. Prior to this adoption, the plan must be approved by the Allen County Plan Commission, and Allen County Board of Commissioners.

# BLUFFTON ROAD EAST ECONOMIC DEVELOPMENT AREA PLAN



— Area Boundary & Allocation Area

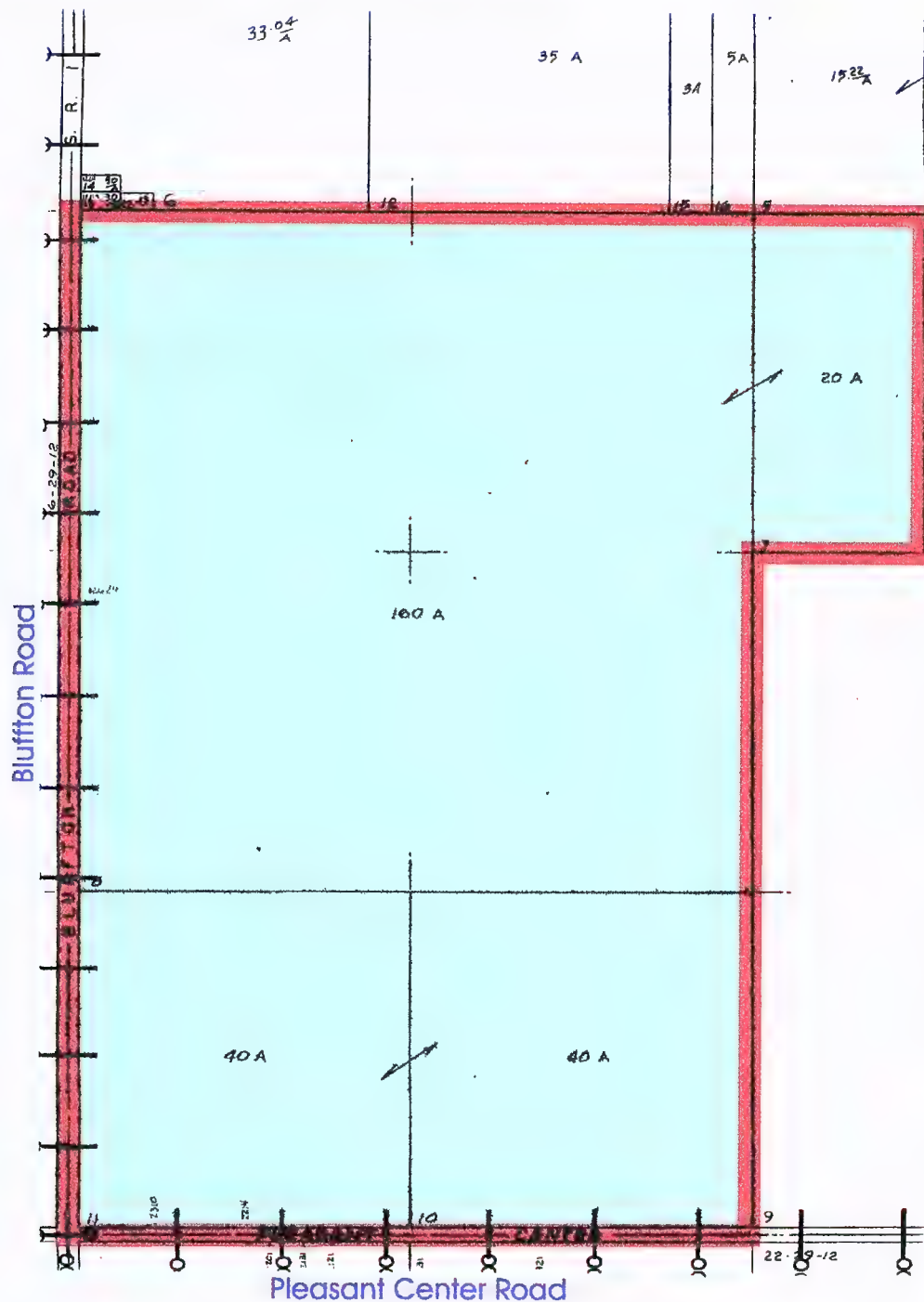
# BLUFFTON ROAD EAST ECONOMIC DEVELOPMENT AREA PLAN



Area Boundary & Allocation Area  
(none) Acquisition (none) Demolition

There will be no demolition in the Economic Development Area.

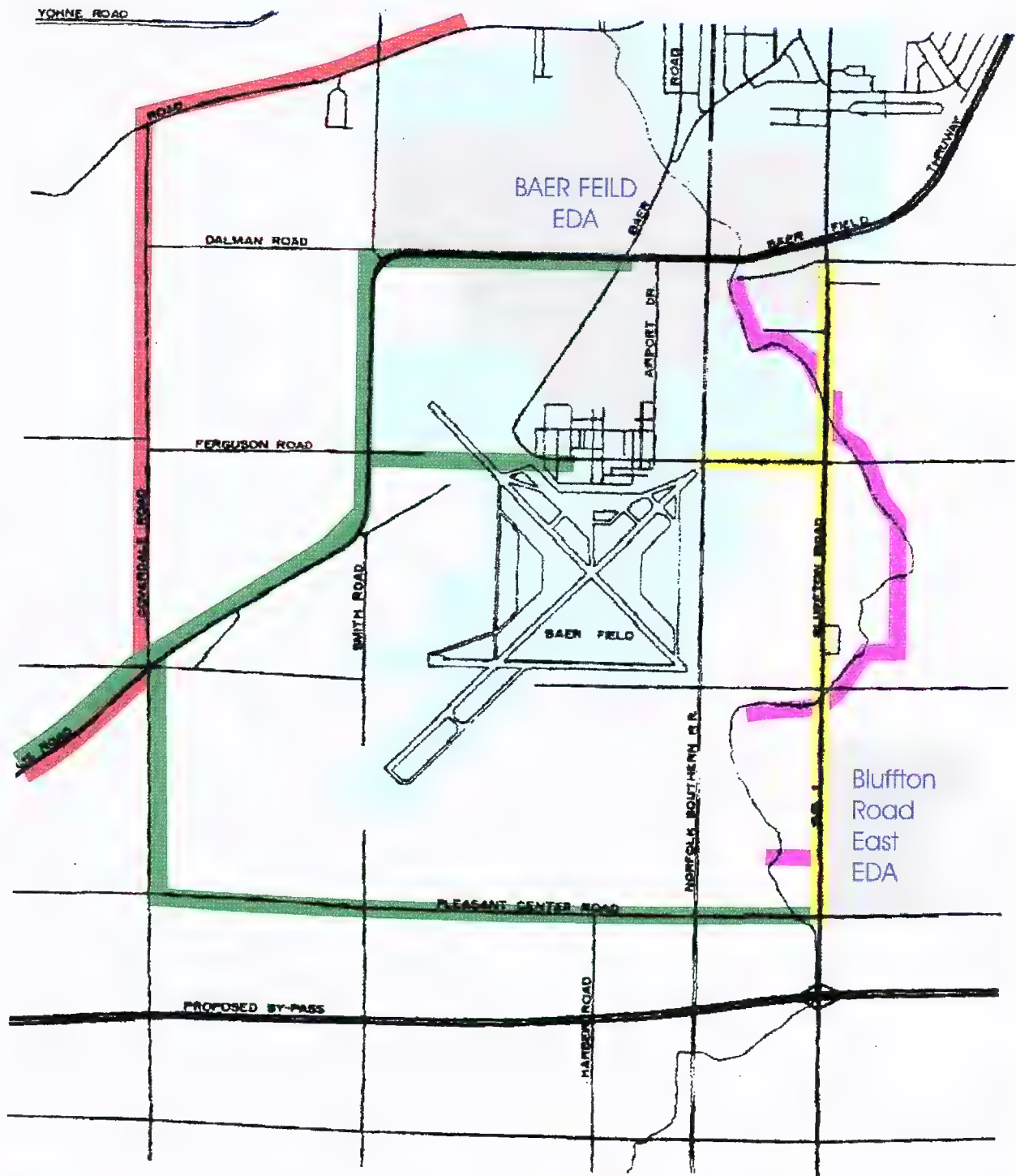
# BLUFFTON ROAD EAST ECONOMIC DEVELOPMENT AREA PLAN



- Area Boundary & Allocation Area
- This Area will be rezoned to I-2(P) / Planned General Industrial



# SOUTHWEST AREA WITH PROPOSED IMPROVEMENTS



Existing Water Lines

Proposed Water Line

Existing Sewer Lines

Proposed Sewer Line



**GENERAL MOTORS  
ECONOMIC DEVELOPMENT AREA  
PLAN**

Allen County Redevelopment Commission

March 12, 1996

## INTRODUCTION

General Motors' decision in 1984 to build a 1.5 million square foot truck assembly plant in Lafayette Township was significant for several reasons. The community was in the midst of an economic downturn caused by a national recession which was further intensified locally by the 1982 relocation of International's Harvester's manufacturing operation to Springfield, Ohio. As late as 1979, International Harvester employed 10,000 in its manufacturing operation on Fort Wayne's east side. Along with double digit unemployment and other economic problems, the community was recovering from the floods that occurred in 1982 and 1984. The General Motors announcement was on the heels of ITT/Aerospace Optical Division's announcement that it was constructing a facility on Cook Road that would create 550 jobs making the SING-ARS radio. With \$500 million in investment and 3,000 new jobs, G.M. was a substantially larger project. However, the combination of the two projects in a short time frame provided a psychological boost to the community.

The location of the G.M. project site in rural Lafayette Township required miles of water and sewer line extensions, and major road construction, reconstruction and relocation. This project served as an impetus for the much talked about by-pass moving from discussion to construction. The cost of the infrastructure needed to make the G.M. site developable was in the millions of dollars. This required the City of Fort Wayne, Allen County, and the State of Indiana to work as a team in financing the infrastructure. Special legislation was adopted by the State legislature to allow the State to loan money to Allen County. The County committed revenues from a newly-adopted Wheel Tax and pursued Tax Increment Financing (TIF) for the first time. The City's contribution came from its utility revenue bonds. All told, the total infrastructure cost for this project was approximately \$30 million. Other contributions to the project included the State's provision of a multi-million dollar job training grant, the County's approval of the maximum amount of tax abatement available, and the City's provision of in-kind engineering services.

Due to the improved national economy and intensified local efforts to attract and retain business, the economy of the community has improved. Major new business locations include Aeroquip, Central Fine Pack, Cadillac Coffee, Ingram Distribution, N.D.Tech, Ryder, and Fleet Services. Major expansion projects include Nestle, Power Wheels, Coca Cola, Waterfurnace, and now General Motors. The industrial growth since 1984 has resulted in the build out of Summit Park (the only publicly-owned park in Allen County) and the platting of several industrial parks in the Cook Road area. On the commercial side, Lowe's, Wal-Mart, Meijer, and Builder's Square were new entrants in the community's market. However, even with all of the successes, the community has continued to lose several significant business operations. Examples of businesses that closed operations include Freuhauf Trailers, Falstaff Brewery, K-Mart Distribution, and Eckrich Meats. Other mature companies have had their operations reduced or have gone through a period of uncertainty regarding continued operations in Allen County. Companies such as Zollner Piston and Uniroyal Goodrich fit in this category. Local leaders have come to understand that it is just as important to retain local companies as it is to attract new companies, but attraction is also necessary in order to replace lost operations.



## The Dilemma

Despite the positive events that have occurred over the past 12 years such as the psychological boost given by ITT/SINGARS and General Motors, the current 3.9% unemployment rate, and the fact G.M. has become Allen County's largest tax payer (\$5,463,085.28 in 1995); there are still economic development policies the community needs to address. The "quick" economic recovery of the mid-80's solidified the general sentiment that every time the community faces adversity it can come together and get the community back to where it was (maintain the status quo). The industrial development experienced since 1984 has depleted the County's inventory of developable industrial sites. In fact, projects such as Nestle, Coca-Cola, Waterfurnace, and Tuthill have taken water and sewer capacity that was in the original commitments to General Motors. Prior to further developments in the southwest part of the county, sewer deficit problems need to be resolved and water availability needs to be increased.

In addition to having a lack of ready-to-develop industrial sites, there is an increasing sentiment in the community to question the need to grant abatements, have an enterprise zone, and use tax increment financing. Again, these incentives should only be used to address a catastrophe and, once we are back to the status quo, stop using them.

During the past 12 years the community became accustomed to getting projects it went after. It was not used to being a runner-up. But changes have occurred in both the approach to the site selection process and the granting of incentives. Companies now have a quicker turn-around time. A company may take months to locate a building or site, but once it makes a decision, it wants to begin getting operational the next day. Therefore when looking to start or move an operation, companies usually seek an existing building that will meet its needs. If they must build, they want a site that is properly zoned and serviced by adequate utilities, and they want to have their plans fast-tracked through the approval process. The postal hub facility, Best Buy distribution facility, and a major assembly plant are examples of projects that the community was on the short list for, but was not selected. Lack of appropriate zoning, lack of available utilities, and lack of an appropriate transportation network were reasons cited for the community not being the finalist for these projects..

The recently completed study on industrial land needs by Thorne Consultants shows that over the next ten years there will be a net demand of 800 acres of industrial land. In order to have various product types and locations, the community needs approximately 2,400 acres of developable industrial land over the next ten years. Currently the community only has 405 acres of developable industrial land. In order to address this deficit in the inventory of industrial land, Thorne Consultants provided certain recommendations. There were a few organizational recommendations, but most concerned local methods of financing infrastructure to improve the inventory of industrial sites.

As documented in the I-469/Bluffton Road Economic Development Area Plan, financing economic development has shifted from the federal and State level to the local level. Thorne

Consultants recommend both the city and county designate areas in the Southwest portion of the county as TIF and/or special taxing districts. Thorne consultants also recommended that a task force be formed to develop an overall plan for implementing economic development strategies.

After Best Buy announced that it had chosen Findlay, Ohio over Fort Wayne and Allen County, the Board of Commissioners wanted to pursue rezoning and designating the county site on Bluffton Road as an Economic Development Area (EDA). At the same time, the city's redevelopment commission was investigating the designation of the Baer Field Industrial Park as an Economic Development Area. The purpose of going through the rezoning and EDA designations was to further reduce hurdles for development. As background research and meetings were being held, General Motors filed a Statement of Benefits for its body shop project. At this point, an ad hoc group representing city economic, redevelopment, utilities, and board of works departments; county economic development staff; and the Chamber of Commerce has been meeting to coordinate the designation of proposed TIF districts with specific infrastructure projects which could be funded by them. There are certain infrastructure projects such as the Southwest Feeder Main project that need to be completed in order to provide additional water service in southwest Allen County. Also, there are other projects that can only be funded by specific Economic Development Areas such as the Harbor Ditch Interceptor project. Although there is not, as of yet, a written document detailing this coordinated effort, the group continues to meet to coordinate efforts and discuss new business prospects. The General Motors announcement provided this group with the opportunity to identify specific projects that could be funded from the TIF revenue. The announcement also provides the community with a much needed opportunity to implement infrastructure improvements to facilitate development in the southwest portion of the county.

### **The Opportunity**

The announcement that General Motors would build a 324,000 square foot body shop addition on its current facility and invest over \$300,000,000 provides this community with an opportunity to use TIF to fund needed infrastructure projects. Projects of this size or with this amount of investment usually require some form of up-front financial assistance like infrastructure extensions, land acquisition, or other financial inducements. The only request made by General Motors was that it receive the maximum available abatement on its new investment. Because of the amount of investment, the maximum amount of tax abatement could be offered and the County could still generate enough increment to undertake certain infrastructure projects.

The following General Motors Economic Development Area Plan should not be viewed as a stand alone plan to finance infrastructure to serve General Motors. Rather, this plan along with the Bluffton Road East Economic Development Plan and the economic development area plan that the city's redevelopment commission has prepared for the Baer Field Industrial Park Area will serve as an coordinated implementation tool to solve infrastructure problems in the southwest portion of the county.

## **THE GENERAL MOTORS ECONOMIC DEVELOPMENT AREA**

The General Motors Economic Development Area Plan covers an area southwest of Fort Wayne, Indiana in portions of Sections 15, 16, and 17 of Lafayette Township (see attached map). The area is more specifically described as follows:

The east three-quarters of Section 17, the portion of Section 16 west of Interstate 69, the northwest quarter and southeast quarter of Section 16 east of Interstate 69, and the northwest quarter of the northwest quarter of Section 15 west of Interstate 69; containing approximately 935 acres, subject to dedicated rights-of-way.

Within the Economic Development Area there will be an allocation area established for the purpose of collecting tax increment financing revenue from any increase in assessed value. The allocation area is the same as the Economic Development Area described above.

## **ISSUES THAT MUST BE ADDRESSED**

The Economic Development Area Plan must address five issues. First, the plan must facilitate job retention and job creation or adhere to other purposes of the redevelopment statute. Second, the implementation of the plan should be of public benefit. The third issue is that the findings of the plan should demonstrate that the implementation of the plan could not be achieved by regulatory processes or by private enterprise. Fourth, the plan must benefit the health and safety of the citizenry. Lastly, the Economic Development Area plan must be in agreement with other development and redevelopment plans.

### **Issue I**

In determining that the plan facilitates job creation and retention, the plan must find that if the area is designated as an Economic Development area, it will;

- 1) promote significant opportunities for the gainful employment of its citizens;
- 2) attract a major new enterprise to the unit;
- 3) retain or expand a significant business enterprise existing in the boundaries of the unit; or
- 4) meets other purposes of the redevelopment legislation.



The General Motors Economic Development Area Plan will promote significant opportunities for the gainful employment of Allen County's citizens, retain a significant business existing in the boundaries of the unit, and meet other purposes of the redevelopment legislation. The aim of this designation is to use tax increment financing to fund public infrastructure improvements which will assist in retaining General Motors now, allow future expansion of employment and production at the General Motors facility, and encourage other industrial development.

The announced expansion of the G.M. facility is not expected to directly increase employment or production. The expansion will allow the installation of production equipment necessary for a new truck body style to be introduced later. Without this expansion, it would be necessary to shut down the assembly line for approximately four months while the existing equipment is removed and the new equipment is installed. General Motors is currently selling all of the trucks it is producing and shutting down the assembly line for four months would result in a significant loss of sales.

The importance of retaining General Motors cannot be overlooked. It is the fourth largest employer in Allen County and the largest outside of incorporated Fort Wayne. General Motors is also the largest tax payer in Allen County. Those factors validate the significance of General Motors in the local economy and show the need to take steps to retain it. Completion of the improvements specified later in this plan will improve utility service to General Motors and ensure an adequate supply to the facility in the future. The proposed infrastructure improvements will also create the capacity necessary for a major future expansion of General Motors as well as new development in the area. The location of new development in the area or a major expansion of G. M. would increase employment in Allen County.

#### Finding

The Commission finds the plan promotes significant opportunities for the gainful employment of its citizens and retains a significant business enterprise existing in the boundaries of the unit. Also, the plan meets other purposes of the redevelopment legislation such as provision of improved public facilities.

#### **Issue II**

The Commission must show that the implementation of this plan will be of public utility and benefit. In demonstrating this the Commission must use one or more of the following measures:

- 1) the attraction or retention of permanent jobs,
- 2) an increase in the property tax base, or
- 3) improved diversity in the economic base or other similar benefits.



Implementation of this plan will be of public utility and benefit and can be shown by all three of the measures listed above. The first is retention of permanent jobs. The water and sewer mains which provide service to General Motors are at or near capacity. Improvement of service to General Motors will allow its current operations to continue and remove impediments to future expansion. Due to future market demand, the exact impact on future employment is not known. However, the building was designed and adequate land purchased to allow the facility to be doubled in size. The removal of bottlenecks in the water and sewer systems will remove the factors under local control which hinder an expansion of General Motors or the attraction of a new industry in the area.

Regarding the second measure, the body shop addition will provide an increase in the property tax base of Allen County. Over the course of the ten year abatement granted General Motors, the company is projected to pay an additional \$7 million in taxes on real and personal property on the body shop addition alone. That does not include the taxes it is now paying on real and personal property.

Additionally, the improvement of infrastructure has spurred industrial development in Allen County in the past. Previous EDA plans have cited the Cook Road area as an example. In the 1980's, the City of Fort Wayne and Allen County worked together to improve the water service to the area and widen Cook Road. In a period of approximately ten years, ITT alone invested over \$50 million in the Cook Road area. Between 1977 and 1994, ITT's employment increased from approximately 700 to over 2,500. Additionally, private developers have platted industrial parks along Cook Road. Six industrial parks with a total of 339 acres have been platted. Two-thirds of the land area of those parks (227 acres) has been developed.

#### Finding

The Commission finds, based on the information presented above, that the implementation of this plan will be of public utility and benefit to Allen County and its citizens. The plan will retain and attract jobs, increase the tax base, and improve the diversity of the local economy.

#### **Issue III**

The commission must demonstrate one of the following tests is met in finding that the implementation of the plan cannot be achieved by regulatory processes or by private enterprise:

- 1) lack of public improvements;
- 2) existence of improvements or conditions that lower the value of land below that of nearby land;
- 3) multiple ownership of land; or
- 4) other similar conditions.

Prior to the construction of the General Motors plant, that area was not served by public water and sewer facilities. New mains were constructed for the use of General Motors and to encourage other industrial development. Improvements were also made to the transportation system. To facilitate additional development in the area, more improvements are needed.

#### Water Improvements

Improvements are needed to maintain at least 30 psi of water pressure in the southwest portion of the distribution system which includes General Motors. The Southwest Feeder Main has been proposed which would provide the ability to transport nearly 5.5 million gallons of water to General Motors without creating excessive head losses. The project has been divided into two phases. The first would be constructed along Baerfield Thruway from the existing feeder main on Hoagland Avenue to Lower Huntington Road. The second phase would continue along Baerfield Thruway from Lower Huntington Road to the existing 30 inch main on Dalman Road. Both phases would utilize a 24 inch main. The estimated cost of both projects is \$1,206,000.

#### Sewer Improvements

The Fort Wayne Water Pollution Control Engineering Department has outlined a number of improvements which are needed to serve the General Motors area. The improvements begin near the intersection of Winchester and Bluffton Roads and extend southwest to near the intersection of Lower Huntington Road and Ardmore Avenue. One portion of the project is necessary to eliminate a deficit in the existing system. The other portions are necessary to increase capacity. The estimated cost of all portions of the project is \$1,376,402.

#### Road Improvements

At the time of G. M.'s construction, Lower Huntington Road was meant to be a secondary access to the plant. The Southwest Allen County Land Use Study recognized constraints on vehicular travel between the plant and points to the east including the Fort Wayne International Airport. The study recommended the construction of an extension of Dalman Road to the I-69/Lower Huntington Road interchange. This project would provide safer and more efficient access for employees and suppliers of General Motors. The total estimated cost of the local share of the project is \$3,150,000.

#### Other Improvements

Needed improvements can not always be anticipated. It is possible that other improvements will become necessary after adoption of this plan. The Redevelopment Commission will pursue such improvements if they are deemed necessary and appropriate. The Commission will ensure the conformance of those improvements to this plan and the requirements of State law.

### Infrastructure Improvements

Water projects	
Southwest Feeder Main Phase I	\$ 468,000
Southwest Feeder Main Phase II	738,000
	<hr/>
	1,206,000
Sewer projects	
Elimination of capacity deficit	119,990
Increase capacity	1,256,412
	<hr/>
	1,376,402
Transportation project	
Dalman Road right-of-way acquisition	750,000
Dalman Road construction (20% local share)	2,400,000
	<hr/>
	3,150,000
Total Estimated Cost	<hr/>
	\$5,732,402

#### Finding

Based on the facts above, the Commission finds that the provision of public utilities required for future expansion of existing industries and the development of new industries could not be done through regulatory process or private enterprise.

#### **Issue IV**

The Commission must find that the accomplishment of this plan benefits the public health and welfare of its citizens. There are no specific measures provided in state law as to how the Commission demonstrates that its findings meet this requirement. However, any improvement to both public health and welfare should demonstrate that implementing this plan is of benefit.

The improvements outlined above to the water and sewer facilities will benefit the public health and welfare of the citizens of Allen County. Benefits will result from increased pressure, volume, and reliability. Improvements to the transportation system will increase efficiency and safety for motorists in the area.

#### Finding

The Redevelopment Commission finds the proposed improvements to the water, sewer, and transportation systems will benefit the public health and welfare of the citizens of Allen County.

#### **Issue V**

The last issue the Commission must address in making the determination that the area in question is an Economic Development Area is whether the plan for the area conforms to other development and redevelopment plans of Allen County.

In 1985 the Southwest Allen County Land Use Study was completed and subsequently adopted by the Allen County Plan Commission as an amendment to the Allen County Comprehensive Plan. The land use study was prepared in response to General Motor's decision to locate in the county. The study calls for industrial development around the General Motors site and for the provision of utilities to adequately serve the area.

The study also recommended the construction of a new arterial connecting the I-69/Lower Huntington Road interchange with Dalman Road. That arterial would provide better access between I-69 and the airport as well as alleviate congestion on other roads in the area.

#### Finding

The Commission finds this EDA plan conforms to the Southwest Allen County Land Use Study which was adopted by the Allen County Plan Commission as an amendment to the Allen County Comprehensive Plan.

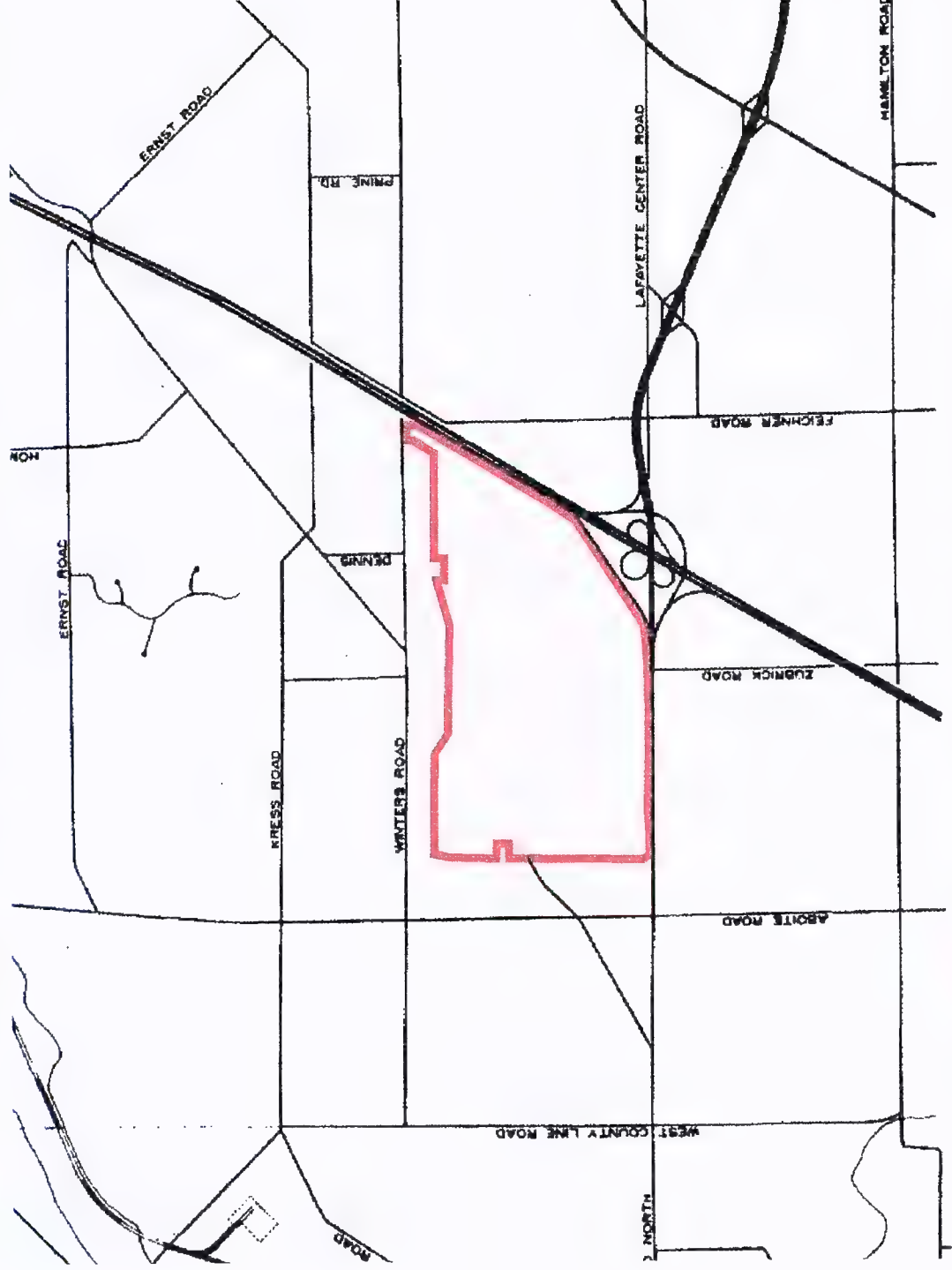
### **ENFORCEMENT OF THE ECONOMIC DEVELOPMENT AREA PLAN**

The Commission will enforce this plan in the following ways:

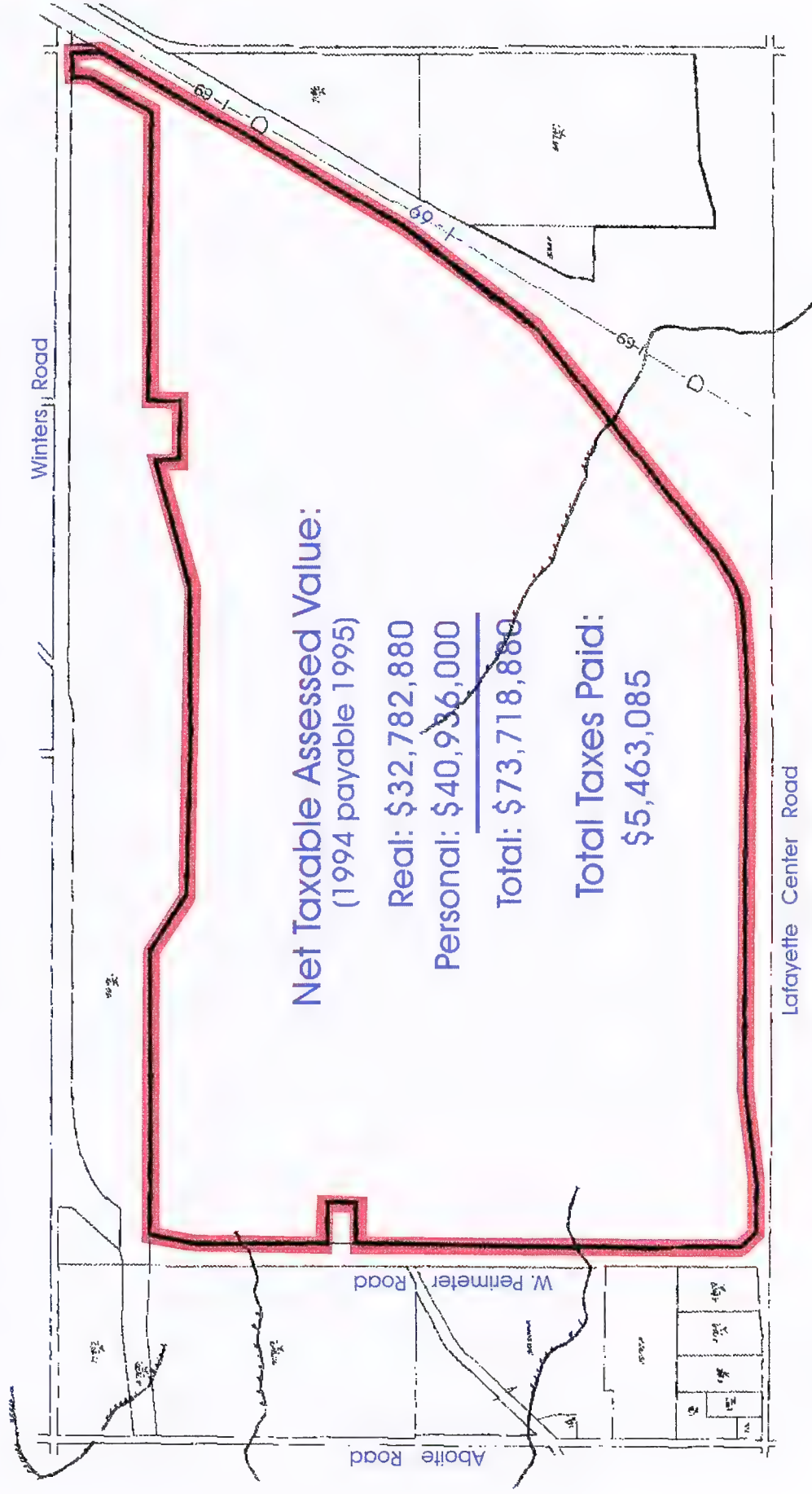
- 1) The Redevelopment Commission or its staff will serve notice to all affected boards, commissions, departments, divisions, agencies, or officers that are involved with the issuance of permits, certificates, variances, tax allocation, or any other items effecting the use or development of property within the Economic Development Area Plan; and,
- 2) The Redevelopment Commission shall have the responsibility to review and approve any action listed above prior to the issuance of permits, and certificates. The commission will also be responsible for reviewing and approving the allocation of tax revenues in accordance with I.C. 36-7-14 et seq.; and,
- 3) This plan, its regulations, and requirements shall be in effect for a period of Fifty (50) years from the date of its adoption by a confirmatory resolution of the Allen County Redevelopment Commission. Prior to this adoption, the plan must be approved by the Allen County Plan Commission, and Allen County Board of Commissioners.



# GENERAL MOTORS ECONOMIC DEVELOPMENT AREA PLAN



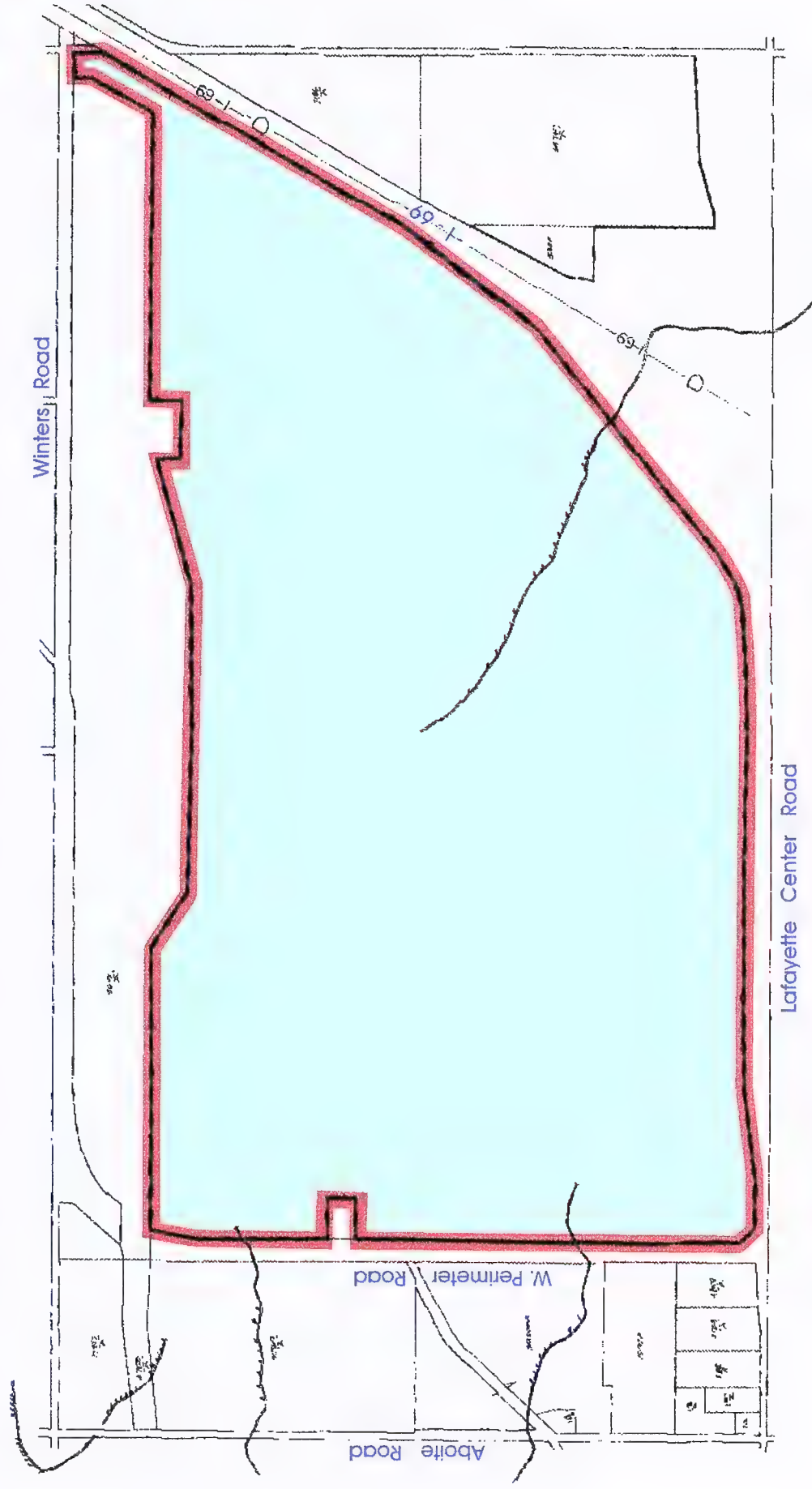
# GENERAL MOTORS ECONOMIC DEVELOPMENT AREA PLAN



■ Area Boundary & Allocation Area  
(none) Acquisition (none) Demolition

There will be no demolition in the Economic Development Area

# GENERAL MOTORS ECONOMIC DEVELOPMENT AREA PLAN



Area Boundary & Allocation Area

Zoned I-3 (Heavy Industrial)



# SOUTHWEST ALLEN COUNTY DEVELOPMENT PLAN MAP



SWAC Study Area

1-469/Bluffton Rd. EDA



Water Lines

## Sanitary Sewer Lines





Exhibit D

94-8638

conf

94 FEB -9 PM 3: 13

Administrative Services  
Allen County Redevelopment Commission

# I-469/Bluffton Road

## ECONOMIC DEVELOPMENT AREA PLAN

PREPARED BY  
THE STAFF OF THE  
ALLEN COUNTY REDEVELOPMENT COMMISSION

APRIL 4, 1993

## HISTORY OF ECONOMIC DEVELOPMENT FINANCING IN FORT WAYNE-ALLEN COUNTY, INDIANA

The public sector in Fort Wayne and Allen County, Indiana, became active in economic development in the early 1980's. The role of both city and county government in economic development is to provide financial incentives. These incentives include(d), but were/are not limited to, tax abatement, low-interest loans, and industrial revenue bonds. Industries locating or expanding in Allen County are eligible to receive these financial incentives. Another role for both Fort Wayne and Allen County is providing the necessary off-site public infrastructure to serve industrial sites. In implementing this role, the two governments relied heavily on federal and state funding sources in financing these capital improvements.

The city depended on Economic Development Administration grants, Urban Development Action Grants (UDAGs) and grants from the Indiana Department of Commerce. Allen County relied on Small Cities Community Development Block Grants controlled by the Indiana Department of Commerce. Local revenue sources leveraged the federal and state funds. Local sources included revenue from the city-owned water utility, sewer utility, and light lease fund. Allen County used locally approved wheel tax funds and federal highway dollars. The important point is that the local funds were all in place. Local elected officials did not have to raise taxes from the property or incomes of its citizenry.

Now, the federal and state funds on which Fort Wayne and Allen County depended on are either nonexistent or not funded at the same level. Fort Wayne is not eligible for grants from the Economic Development Administration. The Urban Development Action Grant program is no longer available. The change in criteria and reduced funding for the Small Cities Community Development Block Grants has negatively affected Allen County's most-used source of financing.

Like every community is facing, financing economic development has shifted from the federal and state level to the local level. Summing it up, Robert Kovach, Executive Director of the Indiana Department of Commerce, states "The state encourages local control of economic development, rather than relying on the state. Lawmakers have given local governments the ability to offer tax incentives and tax abatements, bonding authority and several vehicles for assessing taxes, which they should use more often. We're not abdicating our role. We'll help, but the local communities must lead."

Complicating matters, the local funds that Fort Wayne and Allen County used are also no longer available. Fort Wayne has no funds available in its utilities' reserve accounts and prior debts prevent the use of the city's light lease fund.

Changes in legislation and demand for financial incentives is one aspect of the community's economic development effort that needs addressed. The issue of infrastructure financing is the focus of the following plan.

#### THE PREDICAMENT:

It was not a question of if, it was a question of when the lack of revenue to fund infrastructure improvements for an economic development project would become an issue. The city and county economic development staffs have been working on a project since July of 1992. The project is a 750,000 square foot distribution facility that presented several policy issues.

First, because of the location (the site in question is at the northwest intersection of Bluffton Road and I-469), the project would require considerable infrastructure improvements both in scale and cost. Specifically, the project would require a 24 inch water main extended from the intersection of Indianapolis and Coverdale Roads (more than 3 miles from the site). The cost estimate for this project is between \$1.3 and \$2.1 million. Also, the necessary road improvements including widening Bluffton Road to three lanes on both sides of the Pleasant Center Road intersection to allow for left turn lanes, installing traffic signalization, and upgrading Pleasant Center Road from Bluffton Road to the Norfolk Southern rail line. The estimated cost of these improvements is \$750,000.00. With the total infrastructure costs estimated to be between \$2,050,000.00 and \$2,850,000.00, the question is how to fund these improvements. The State of Indiana through its Department of Commerce (IDOC) committed to providing a \$200,000.00 grant from its Industrial Development Grant program, the City of Fort Wayne committed to providing in-kind engineering and inspection services left a gap of approximately at least \$1,800,000.00 to fund. Even with Allen County's commitment to provide all of its eligible resources from its Wheel Tax and Economic Development Funds there was still a significant shortfall of revenue to fund these improvements. The issue here is how does the community cover the shortfall.

The second issue related to this project is that a local company was either going to expand here or cease operations here and relocate to either Indianapolis or Anderson. The number of jobs to be retained by keeping this local company is estimated to be approximately 62. The new jobs generated as a result of this project is estimated to be between 15 and 20. The issue here is whether the number of jobs retained and created justifies the cost of the infrastructure improvements.



An important point to note is financial incentives are still very much tied to number of jobs both new and retained. The IDOC commitment is based on a policy of setting a maximum amount for both each job retained and created. Also, the IDOC has a policy of not providing financial incentives to communities attempting to attract jobs from one area of Indiana to another location in Indiana. So, in this case neither Indianapolis or Anderson had any commitment of funds from the IDOC for this project. Although not as written policy, the City and County have a perceived notion, based on past experience, as to how much is too much to spend on any given project a key factor is the number of jobs created or retained. When it comes to the actual decision as to the dollars committed, the intangible aspects play a substantial role in the decision-making process. Remember, the public sector's role is providing off-site infrastructure. The question is what does the value of the public improvements represent? Unquantifiable, decision-makers have to implicitly gauge whether the project at face value and the intangibles are worth the cost. In this case, will the water line extension generate additional investment since it will also serve over 600 acres of industrially zoned land not currently served by public water? What is the value of the increased safety provided by the road improvements? This is especially important since the school, located directly across Bluffton Road, will benefit from increased safety of transporting students via school bus. The issue here is what, if any, new measures need to be formally considered before making the decision as to how much to invest in any given economic development project.

Other policy issues arising from this project, although important, would be better addressed in a different forum. These issues include site readiness especially control of ownership. How to address utility extensions financed by the county, but owned by the city. Lastly, procedures for controlling development either along I-469 or any vacant land.

In sum, this project served notice to the community that it has several economic development issues that need attention.

#### INDIANA REDEVELOPMENT LAW IN GENERAL

Although not specifically mentioned by Mr. Kovach, one method for financing public improvements to support economic development is Indiana's redevelopment legislation (I.C. 36-7-14 et. seq.). Indiana Code 36-7-14 et. seq. allows cities and counties to create redevelopment commissions. Redevelopment commissions have the same authority as other governing bodies. Redevelopment commissions have a bonding capacity (not exceeding Indiana's the 2% debt limit), the right of eminent domain, and the ability to enter into contracts. Also, redevelopment commissions have special powers. In Indiana, One power is the ability to finance public improvements using tax increment financing.

Allen County's experience:

On May 10, 1982, the Allen County Board of Commissioners adopted Resolution No. 82-5-1 establishing the Allen County Redevelopment Commission. Although there had previously been numerous discussions concerning the establishment of the Commission, primarily as a means to finance off-site infrastructure to industrial parks, it was the immediacy of developing an incentive package to induce International Harvester to keep its manufacturing operations in Allen County that caused the commission's formation. Under the proposed incentive package, if International Harvester had chosen to keep its manufacturing operation in Allen County, the Redevelopment Commission would have owned much of the firm's east-end facilities through a purchase leaseback arrangement.

Since its inception, the Commission has held its required annual meeting. Besides the Harvester incentive package, the only active role commission members have played in the community's economic development effort was undertaking a study in 1985 and 1986 as to the commission's role in industrial park development. The Commission hired Fantus to complete the study under the commission's direction. Two recommendations from this study were as follows:

1. The commission should not pursue development of an industrial park, but rather should have staff identify and acquire financial resources to provide infrastructure to areas that are zoned industrial or are recommended for industrial development.
2. The commission should also direct staff to develop and maintain a computerized data base of industrial sites. This would allow staff to provide information on the current inventory of sites on request and in a timely manner.

The Commission's staff used the data base of sites in providing information on sites that met the criteria of the site selectors. Also, the staff along with elected officials, staff from the city and IDOC identified a number of possible alternatives to fund the needed infrastructure for this project. Included as ideas were utility revenue bonds, general obligation bonds, loan from the state, loan from city's light lease fund, and the chosen method of using tax increment financing bonds.

Before issuing tax increment financing bonds the Redevelopment Commission must adopt an Economic Development Area Plan. The following represents the Economic Development Area Plan for the I-469/Bluffton Road Area.

## THE I-469/BLUFFTON ROAD ECONOMIC DEVELOPMENT AREA PLAN

The I-469/Bluffton Road Economic Development Plan covers an area south and west of Fort Wayne International Airport. the Area is more particularly described as follows:

Commencing at the west right-of-way line of Coverdale Road at its northern intersection with Indianapolis Road then south to the north right-of-way of I-469 then west to the east right-of-way line of Bluffton Road then north to the half-section line of Section 16 of Pleasant Township then west across the half-section line of Section 17 of Pleasant Township to the former west right-of-way line of the vacated Smith Road then north to the north right-of-way line of Winters Road then west along Winters Road to the west right-of-way line of Coverdale Road at its northern most intersection with Indianapolis Road. (See attached map)

Within this Economic Development Area, there will be an allocation area established for the purpose of collecting tax increment financing revenue from the increase in assessed value. The allocation area is defined as follows:

The real estate bordered on the south by I-469, on the west by the Norfolk Southern rail line, on the north by Pleasant Center Road, and on the east by Bluffton Road. (See attached map).

### ISSUES THAT MUST BE ADDRESSED:

The Economic Development Area Plan must address five issues. In general, the Plan facilitates job retention and job creation or adhere to other purposes of the redevelopment statute. Second, the findings of the Plan demonstrate that the implementation of the plan could not be achieved by regulatory processes or by private enterprise. The third issue is that the plan benefits the health and safety of the citizenry. Fourth, the implementation of the plan will be of public benefit. Lastly, the Economic Development Area Plan must be in agreement with other development and redevelopment plans.

#### ISSUE 1:

In determining that the Plan facilitates job creation and retention, the Plan must find that if the area is designated as an economic development area that it will;

1. promote significant opportunities for the gainful employment of its citizens;



2. attract a major new enterprise to the unit;
3. retain or expand a significant business enterprise existing in the boundaries of the unit; or
4. meets other purposes of the redevelopment legislation.

In general, the establishment of the above-described property as an economic development area and implementation of this plan will promote significant opportunities for the gainful employment of its citizens. Community leaders anticipated that the construction of I-469 would open areas for development. However, the infrastructure serving areas with access to I-469 is either not in place or what is in place requires upgrading. This community has seen a perfect example of how providing water, sewer, and road improvements to an undeveloped area facilitates in the area's development. The area in question is the Lima Road/Cook Road area. The City of Fort Wayne installed a looped water system and storage tank and extended sewer service to this area. Both Fort Wayne and Allen County with financial assistance from the IDOC made road improvements in the Lima Road/Cook Road area. An important point is that the sources of revenue to fund these projects included an Economic Development Administration grant for the water line and to develop Summit Park the local funds that leveraged this grant were city utility revenues sources of funds that are no longer available.

Since 1985, after the completion of the city-owned Summit Park, there were several properties rezoned to industrial classifications. Four industrial parks have been platted in addition to Summit Park. Within these five parks there are over 20 industrial facilities that have been constructed. These facilities employ over 2000 people.

The economic development area identified in this plan will require a major water line extension and road improvements. The water line extension will serve over 600 acres of industrially zoned land that is not currently served by public water.

The basis for this plan is to attract and/or retain a major new business enterprise to the unit. Nestle currently operates a facility in Fort Wayne, Indiana at 8520 Bluffton Road. This facility employs 62 people. The current operation will close and these 62 jobs will be transferred to the new facility. Also, the new facility will employ an additional 15 to 20 people. This project represents a significant retention effort as well as providing additional jobs in the community. If Nestle had chosen to go to Indianapolis or Anderson, the community would have lost these jobs and tax base.

This plan meets other purposes of the redevelopment statute. As stated, the redevelopment legislation not only allow for Economic



Development Area designations, but also allows the commission to fund public infrastructure improvements through tax increment financing.

FINDING:

Based on the above, the Commission finds that the plan does promote employment opportunities, will attract and/or retain a major business enterprise, and meets other purposes of the redevelopment legislation.

ISSUE II

The test that needs met in finding that the implementation of the plan cannot be achieved by regulatory processes or by private enterprise the commission must demonstrate the following:

1. lack of local public improvements
2. existence of improvements or conditions that lower the value of land below that of nearby land
3. multiple ownership of land or
4. other similar conditions

As noted, the area identified in this plan lacks public water and road improvements necessary not only to facilitate the development of the parcel of property that Nestle will develop, but also to facilitate development in the entire area identified in the plan. The plan calls for the following improvements.

Provision of public utilities:

The Nestle development requires a major water line extension. A 24" water line will be extended from the intersection of Indianapolis and Coverdale Roads. The extension will run south along Coverdale road to Pleasant Center Road then east along Pleasant Center Road to the Nestle development at Bluffton and Pleasant Center Roads. Future developments will require a substantial upgrade to the sanitary sewer system serving this area.

Transportation improvements:

The additional traffic generated by the Nestle development will require that Bluffton Road be upgraded to three lanes on both sides of its intersection with Pleasant Center Road. This will allow for left turn only lanes from Bluffton Road onto Pleasant Center Road. Also, traffic signalization will be installed to control traffic movement at this intersection. In addition, Pleasant Center Road will be upgraded to meet the demands of the increased traffic generated from the Nestle development. This upgrade will include, but not be limited to reconstructing Pleasant Center Road from Bluffton Road to

the Norfolk southern rail crossing in concrete and installing accell/decell lanes and passing blisters.

**Floodway mitigation:**

The Harber Ditch, a regulated drain, borders the east boundary of the Nestle property. As a result, a portion of the Nestle property falls within the floodway. Mitigating this situation requires widening the Harber Ditch an additional 25 to 30 feet. Also, other improvements to the Harber Ditch or other drainage issues may need to be addressed to serve future developments within the economic development area.

The improvements required by the Nestle development are estimated to be \$3,000,000.00.

Also, throughout the process of working with the site selectors the multiple ownership of the proposed site was always an issue. Were the owners willing to sell? If so, at what price? Could the ownership of the parcels be transferred in time so as not to impede the construction schedule? Although the Redevelopment Commission has the ability to acquire and assemble property, they cannot use the Commission's right of eminent domain within an Economic Development Area. So, it probably would have taken the Commission just as long, if not longer, to assemble the property.

**FINDING:**

Based on the aforementioned, the Commission finds that the lack of public infrastructure and cost of extending and improving infrastructure to this area could not be done through regulatory processes or private enterprise.

**ISSUE III**

The Commission must find that the accomplishment of this plan benefits the public health and welfare of its citizens. There are no specific measures provided in state law as to how the Commission demonstrates that its findings meet this test. However, any improvement to both public health and welfare should demonstrate that implementing this plan is of benefit.

Issue II detailed the infrastructure improvements that would result from implementation of this plan. These improvements would increase the public health especially for those using this area.

First, the committed road improvements to address the increased traffic as a result of the Nestle development serves to improve the public health and welfare for the community. With the above-noted improvements to the Bluffton Road/Pleasant Center Road intersection, those travelling in this area will benefit. This is particularly important since there is an elementary school located across Bluffton Road at its northeast intersection with Pleasant Center Road. Looking at the projected traffic, most school busses are coming from the north and turning east on Pleasant Center Road

while the truck traffic generated from the Nestle facility is coming from the south and turning west on Pleasant Center Road. Having the two left turn lanes on Bluffton Road with signalization alleviates conflict between the two. Other road improvements will negate the effect of increased traffic as a result of traffic generated from employees.

Second, extending public water into an area that is not currently served by public water allows those that live in the area served to have access to public water. It also puts in place a community investment to serve future developments in the area.

There has been a concerted effort throughout this process to overcome any impacts created from a project of this size. In accomplishing this, the community's overall health and welfare will be benefitted.

#### FINDING:

The Commission finds that the public infrastructure improvements detailed in Issue II will improve the public health and welfare of the community.

#### ISSUE IV

The Commission must show that the implementation of this plan will be of public utility and benefit. In demonstrating this the Commission must use one or more of the following measures:

1. the attraction or retention of permanent jobs
2. an increase in the property tax base or
3. improved diversity in the economic base or other similar benefits

First and foremost, this plan is a direct result of retaining the existing Nestle operation. Implementation of this plan will facilitate keeping 62 employees and providing employment opportunities for at least 15 to 20 new employees. Also, the infrastructure improvements aid in making over six hundred acres of industrially zoned land developable in a timely manner.

Second, this development will definitely increase the tax base of the taxing district which means that it will assist in increasing the tax base of Allen County. The Nestle site is located in the Pleasant Township taxing district. The Pleasant Township taxing district (identified as taxing district 25) includes a large amount of agricultural land, scattered residential uses, and as stated earlier, an elementary school which is in close proximity to the Nestle development. The level of public services provided in this taxing district is indicative of its rural setting. The Pleasant



Township taxing district does not receive public transit services or any service offered by the City of Fort Wayne and is provided fire protection by the Southwest Allen County Fire District. As a result the net tax rate for this taxing district is the fifth lowest of the thirty-two taxing districts within Allen County. A better indicator of the benefit of the Nestle development on the tax base is a comparison of the assessed value of the Pleasant Township taxing district. In 1992, the gross assessed value of this taxing district was \$22,154,640.00 and the net assessed value was \$18,260,400.00. The estimated true cash value in investment as a result of the Nestle project is estimated to be at least \$20 million for the real improvements (building) and \$30 million in personal property (equipment and inventory). Even though the increased taxes generated from the real improvements will be dedicated toward retiring a bond, the taxing district will still receive increased tax base from the increase in assessed value of the real estate and the personal property except inventory. The increase in the tax base will, if anything, aid in the reduction of the rate for this taxing district. Another point is that unlike tax abatement, a direct benefit to the company, tax increment financing funds improvements that serve the public. In this case, the water and road improvements leveraged by the Nestle development can or could be used by the public. Also, these improvements facilitate future development of this area which will aid in further increasing the tax base of this taxing unit.

Third, a recent study by the Cambridge Institute and the Indiana Economic Development Council shows that the Allen County economy is still significantly tied to the automotive and military electronics industries. Other types of industry ceasing operations in Allen County increases this community's reliance on automotive and military electronics related industries. Even though this community benefits from and relies on the automotive and military electronics industry, any effort to attract and maintain other types of operations will aid in increasing the industry mix in Allen County. As a result, the employment base will not be as adversely impacted by changes in the automotive and military electronics' industries.

#### FINDINGS:

The aforementioned facts justify the Commission finding that the implementation of this Plan will attract/retain permanent jobs, increase the property tax base, and assist in the continued effort to diversify the economic base of Allen County.

#### ISSUE V:

The last issue the Commission must address in making the determination that the area in question is an Economic Development Area is whether the Plan for the area conforms to other development and redevelopment plans of Allen County.



As a result of General Motors' decision to locate a facility in a rural area in southwest Allen County, a plan for the entire area was undertaken. This plan, known as the Southwest Allen County Land Use Plan, specifically recommends that the area surrounding the airport should develop as industrial. The Southwest Allen County Land Use Plan recommends that the Nestle property be a planned general industrial use. This Plan was adopted as an amendment to the Allen County Comprehensive Plan. However, the Nestle property is currently zoned A-1 (Agricultural). The land use plan and development controls for this project will be as follows:

1. The property for the Nestle development will be rezoned from A-1 (Agricultural) to I-2(P) Planned General Industrial. The current zoning of the remainder of property in the economic development area will remain the same.
2. Land use provisions, building requirements, permitted uses, development controls, and other regulations will be subject to the regulations and controls in the Allen County Zoning Ordinance.

#### FINDING(S):

This Plan conforms to the Allen County Comprehensive Plan as amended. One key amendment includes the Southwest Allen County Land Use Plan. Based on these plans, the Commission finds that the I-469/Bluffton Road Economic Development Area Plan conforms to other development plans in Allen County.

#### ENFORCEMENT OF THE ECONOMIC DEVELOPMENT AREA PLAN

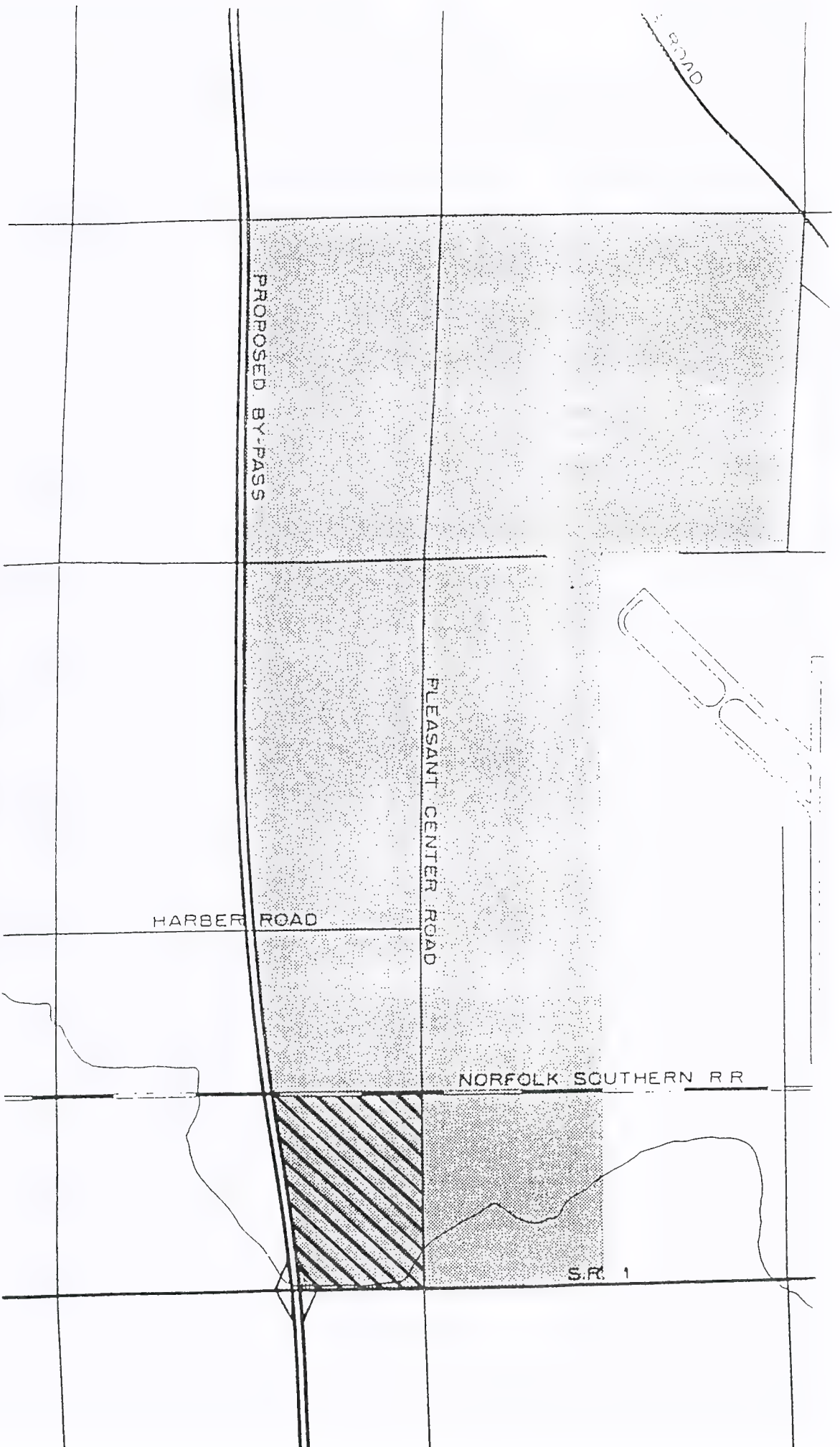
The Commission will enforce this this Plan in the following way:

1. The Redevelopment Commsission or its staff will serve notice to all affected boards, commissions, departments, divisions, agencies, or officers that are involved with the issuance of permits, certificates, variances, tax allocation, or any other items affecting the use or development of property within the Economic Development Area Plan.
2. The Redevelopment Commission shall have the responsibility to review and approve any action listed above prior to the issuance of permits, and certificates. The Commission will also be responsible for reviewing and approving the allocation of tax revenues in accordance with I.C. 36-7-14 et. seq.

3. This Plan its regulations and requirements shall be in effect for fifty (50) years from the date of its adoption by the Allen County Redevelopment Commission, Allen County Plan Commission, and Allen County Board of Commissioners.

# I-469/Bluffton Road Economic Development Area

- Area Boundary
- Allocation Area Within
- Economic Development Area



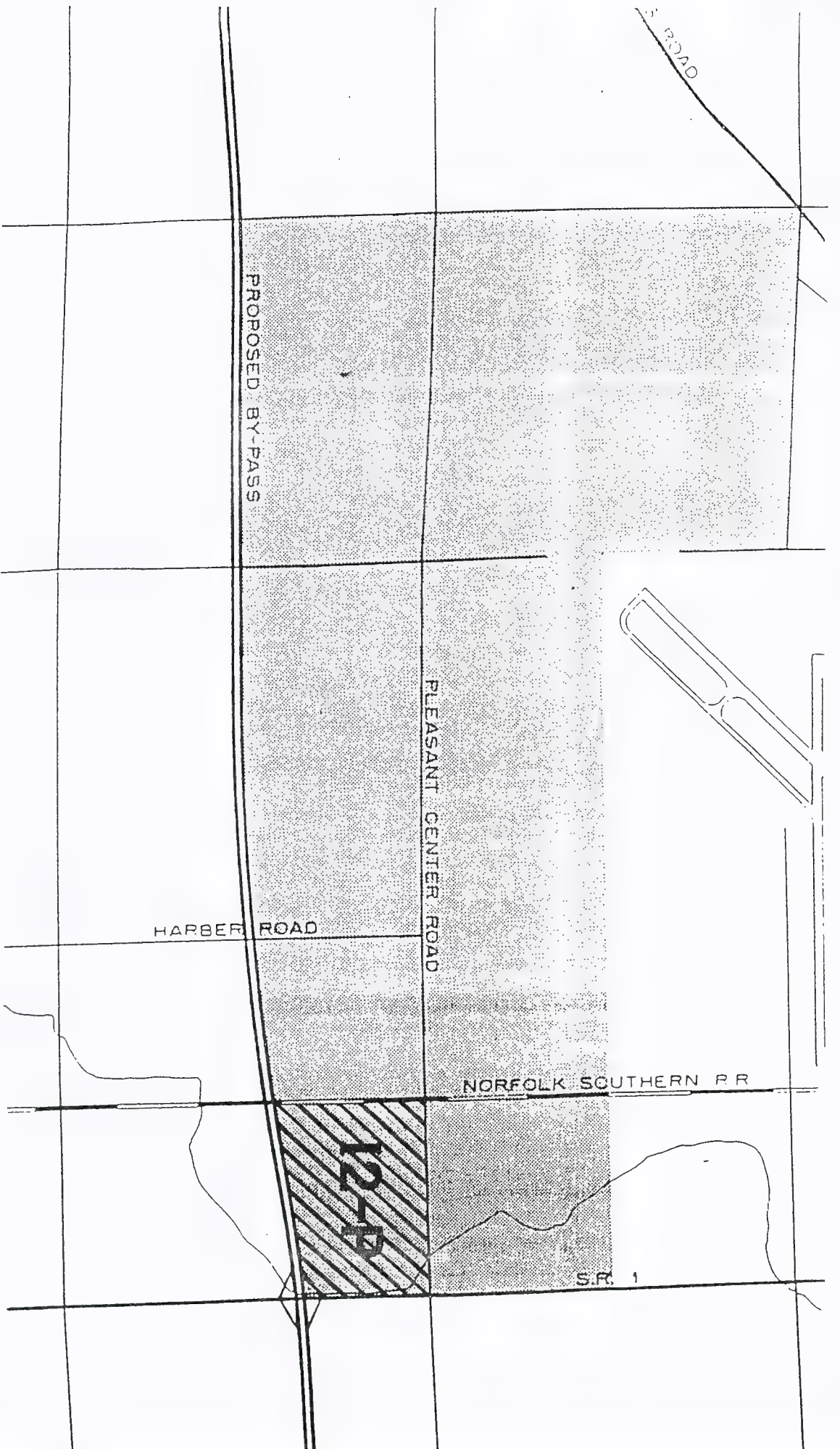


## I-469/Bluffton Road Economic Development Area

 Area Boundary     Allocation Area Within Economic Development Area  
(none) Acquisition    (none) Demolition

There Will Be No Demolition In The Economic Development Area





## I-469 / Bluffton Road

### Economic Development Area

☐ Area Boundary      ☒ Allocation Area Within Economic Development Area

Allocation Area Currently Zoned Agricultural

Will Be Rezoned To Planned Industrial 12-P

# EXHIBIT A

Pleasant Township	1985	1986	1987	1988	1989	1990	1991	1992
Gross AV	\$15,842,880.00	\$16,392,440.00	\$16,226,000.00	\$16,413,560.00	\$16,726,520.00	\$23,584,710.00	\$24,037,100.00	\$22,154,640.00
Net AV	\$12,357,380.00	\$12,923,730.00	\$12,803,720.00	\$12,992,500.00	\$13,241,660.00	\$17,897,910.00	\$18,524,270.00	\$18,260,400.00
% of Net vs Gross AV	78.00%	78.84%	78.91%	79.16%	79.17%	75.89%	77.07%	82.42%
Deductions	\$3,485,500.00	\$3,468,710.00	\$3,422,280.00	\$3,421,060.00	\$3,484,860.00	\$5,686,800.00	\$5,512,830.00	\$3,894,240.00
Deductions as % of Gross AV	22.00%	21.16%	21.09%	20.84%	20.83%	24.11%	22.93%	17.58%
Gross Tax Rate	5.8138	5.8489	6.4318	6.5214	7.1593	5.845	6.1424	6.3531
Net Tax Rate	4.6771	4.7321	5.3555	5.3997	6.0009	4.91	5.1843	5.37
Deductions	1.1367	1.1168	1.0763	1.1217	1.1584	0.935	0.9581	0.9831
Deductions as % of Gross Tax Rate	19.55%	19.09%	16.73%	17.20%	16.18%	16.00%	15.60%	15.47%

# EXHIBIT B

Pleasant Township Tax Rates by Unit					
PLEASANT	1988	1989	1990	1991	1992
STATE					
State Fair Board	0.0035	0.0035	0.0035	0.0035	0.0035
State Forestry	0.0065	0.0065	0.0065	0.0065	0.0065
Welfare HCL	0.0636	0.0637	0.05	0.0508	0.0515
Welfare Administration	0.0909	0.0899	0.0701	0.0713	0.068
Welfare Med. Assist. Wards			0.0058	0.0059	0.0107
Child Spec. Health Needs					
Total State	0.1645	0.1636	0.1362	0.138	0.1462
COUNTY					
County General	0.9736	0.9667	0.7802	0.7529	0.8361
County Welfare	0.1617	0.1618	0.1216	0.1238	0.1186
County Health	0.0705	0.0685	0.0412	0.0654	0.0345
Cumulative Bridge	0.05	0.05	0.0374	0.0375	0.0375
County Bonds	0.105	0.1209	0.098	0.091	0.1014
Cumulative Capital Dev.	0.07	0.07	0.0524	0.07	0.1
Reassessment		0.01	0.01	0.03	0.0009
Total County	1.4308	1.4479	1.1408	1.1706	1.229
TOWNSHIP					
Township General	0.02	0.023	0.0194	0.0116	0.012
Poor Relief	0.01	0.01	0.0076		0.025
Fire					
Township Recreation					
Township EMS					
Poor Relief Debt Service					
Fire Equipment Debt					
Township Debt Service					
Comm. Bldg. Serv.					
Cumulative Fire					
EMS Equipment					
Lease Rental Payment					
Total Township	0.03	0.033	0.027	0.0116	0.037
SCHOOL					
School General	3.0369	3.0789	2.4911	2.6181	2.7337
School Debt Service	0.0704	0.0323	0.0713	0.0288	0.0262
School Transportation	0.3009	0.4482	0.3667	0.4186	0.4186
Art Institute	0.005		0.005	0.005	0.005
Capital Projects	0.5641	0.0982	0.6215	0.6215	0.6529
Racial Balance			0.2	0.2	0.25
Pre - School Special Ed					0.01
Total School	3.9773	4.5576	3.7556	3.892	4.0964
AIRPORT					
Airport General	0.0963	0.0974	0.0763	0.0772	0.0782
Airport Debt	0.0216	0.0246	0.0185	0.0168	0.019
Total Airport	0.1179	0.122	0.0948	0.094	0.0972
LIBRARY					
Library General	0.3705	0.3709	0.2905	0.2944	0.3402
Library Debt	0.0204	0.037	0.0399	0.0352	0.0428
Total Library	0.3909	0.4079	0.3304	0.3296	0.383
PTC					
PTC General					
PTC Debt					
Total PTC	0	0	0	0	0
CITY-TOWN					
Corporation General					
MVH Streets					
Corporation Debt Service					
Fire Pension					
Police Pension					
Sanitary Office Pension					
Fire					
Park					
Redevelopment General					
Parks and Recreation NH					
Cumulative Fire					
Cumulative Capital Dev.					
Monroeville Park					
Grabill Park	0.41	0.4273	0.3602	0.3392	0.2941
SW Allen Co. Fire District				0.1674	0.0702
SWAC Fire Protection					
Storm Sewer Bonds					
Total City and Special	0.41	0.4273	0.3602	0.5066	0.3643
TOTALS					
Grand Total R (GROSS)	6.5214	7.1593	5.845	6.1424	6.3531
	6.2007	6.0009	4.90981	5.184259	5.36997

# EXHIBIT C

## Pleasant Township Tax Rates by Unit

	Payable 1992 rates before increases	Payable 1992 rates after real property increase	Payable 1992 rates after personal & real property >	Payable 1992 rates after personal property increase
<b>PLEASANT</b>				
STATE	\$18,260,400.00	\$21,557,200.00	\$22,321,984.00	\$19,125,184.00
State Fair Board	0.0035	0.0035	0.0035	0.0035
State Forestry	0.0065	0.0065	0.0065	0.0065
Total State	0.01	0.01	0.01	0.01
<b>COUNTY</b>				
County General	0.8361	0.8349	0.8346	0.8358
County Health	0.0345	0.0345	0.0344	0.0345
Cumulative Bridge	0.0375	0.0374	0.0374	0.0375
County Bonds	0.1014	0.1013	0.1012	0.1014
Cumulative Capital Dev.	0.1	0.0999	0.0998	0.1
Reassessment	0.0009	0.0009	0.0009	0.0009
Total County	1.1104	1.1089	1.1085	1.11
<b>TOWNSHIP</b>				
Township General	0.012	0.0113	0.0111	0.0118
Poor Relief	0.025	0.0236	0.0232	0.0246
Fire	0	0	0	0
Total Township	0.037	0.0349	0.0343	0.0364
<b>SCHOOL</b>				
School General	2.7337	2.7279	2.7263	2.7322
School Debt Service	0.0262	0.0261	0.0261	0.0262
School Transportation	0.4186	0.4177	0.4175	0.4184
Art Institute	0.005	0.005	0.005	0.005
Capital Projects	0.6529	0.6515	0.6511	0.6525
Racial Balance	0.25	0.2495	0.2493	0.2498
Pre-School Special Ed	0.01	0.01	0.01	0.01
Total School	4.0964	4.0877	4.0854	4.0941
<b>AIRPORT</b>				
Airport General	0.0782	0.0781	0.0781	0.0782
Airport Debt	0.019	0.019	0.019	0.019
Total Airport	0.0972	0.0971	0.097	0.0972
<b>LIBRARY</b>				
Library General	0.3402	0.3397	0.3396	0.3401
Library Debt	0.0428	0.0427	0.0427	0.0428
Total Library	0.383	0.3825	0.3823	0.3829
<b>PTC</b>				
PTC General				
PTC Debt				
Total PTC	0	0	0	0
<b>CITY/TOWN</b>				
SW Allen Co. Fire District	0.2941	0.2869	0.2851	0.2922
SWAC Fire Protection	0.0702	0.0685	0.068	0.0697
Total City and Special	0.3643	0.3554	0.3531	0.3619
<b>WELFARE</b>				
Welfare	0.1186	0.1184	0.1184	0.1186
Welfare-HCI	0.0515	0.0514	0.0514	0.0515
Welfare-Admin	0.068	0.0679	0.0679	0.068
Welfare-MAW	0.006	0.006	0.006	0.006
Welfare-CHINS	0.0107	0.0107	0.0107	0.0107
Total Welfare	0.2548	0.2544	0.2544	0.2547
<b>TOTALS</b>				
Gross TR & Gross Lev.	6.3531	6.3308	6.325	6.3472
Rate & Levy after PTR	5.37	5.3511	5.3462	5.3649
Rate after Homestead	4.6076	4.5914	4.5872	4.6033



NORFOLK-SOUTHERN R.R.

PLEASANT CENTER ROAD

OWNERS NAMES	KEY NUMBERS	ACREAGE	ASSESSED VALUE
ROY S. DALE	25-0021-0008	8.826	1415
HARBER FARMS	25-0021-0004	48.893	7365
MILLER/FULKERSON	25-0021-0001	50.175	7600
STATE OF INDIANA	NOT AVAILABLE	1.222	0

BLUFFTON ROAD S.R. 1

1-469

1-469/Bluffton Road  
Allocation Area

# Assessments for parcels to be included in I-469/Bluffton Rd. EDA

SITE	KEY #	Owner(s) of record	Total acreage in parcel	Approximate acreage to be incl in EDA	Assessed val (land) of entire parcel	Approximate assessed val of EDA acreage
West	25-0021-0008	Roy S Dale McAllen TX	64.438	8.826	10330	1415
Southeast	25-0021-0004	Harber Farms Ft W	154.481	48.893	23270	7365
Northeast	25-0021-0001	Miller/Fulkerson Ft W	50.175	50.175	7600	7600
State	n.a.	State of Indiana	1.222	1.222	0	0
TOTAL	----	----	270.316	109.116	41200	16380



## **INTERLOCAL COOPERATION AGREEMENT**

This Interlocal Cooperation Agreement is made and entered into by and between the Allen County Redevelopment Commission (the "ACRC") and Fort Wayne City Utilities, acting by and through the City of Fort Wayne, Board of Public Works (the "Utilities") made this \_\_\_\_ day of \_\_\_\_\_, 1996.

### **WITNESSETH:**

**WHEREAS**, the ACRC constitutes a political subdivision and has certain statutory authority to provide services in accordance with its authorizing statutes to unincorporated Allen County, and

**WHEREAS**, the Utilities is a function of the City of Fort Wayne operating through its Board of Public Works, and constitutes a political subdivision, and

**WHEREAS**, the Utilities currently provides utility services to the General Motors Tax Incremental Financing District (the "GM TIF") which district was created by and lies within the ACRC area of authority, and

**WHEREAS**, to adequately serve said District and to provide for future development therein, it is necessary for certain infrastructure improvements to be made to the Utilities outside of the territorial jurisdiction of the ACRC, and

**WHEREAS**, the parties agree that said infrastructure improvements would benefit the community as a whole and would be in the best interests of the parties hereto to enter into an interlacial cooperation agreement so as to allow the ACRC to fund the improvements to the Utilities infrastructure from funds derived from the GM TIF zone.



**NOW, THEREFORE,** in consideration of the mutual promises, covenants and agreements set forth hereinafter, the parties agree as follows:

1. The purpose of this Agreement is to provide for the financing of certain infrastructure improvements to the Utilities through the use of the ACRC funding mechanism. The scope of the improvements to be provided are generally set forth in Exhibit "A" and "B", attached hereto and made a part hereof. This Agreement shall remain in effect until said Projects are completed.

2. The ACRC shall cause to be issued a Tax Incremental Financing bond to fund the construction of the improvements set forth in Exhibit "A" and "B" (the "Projects"). The Utilities shall provide the engineering, bid documents and construction supervision for said Projects. The budgets for each of the functions shall be maintained separately by the entities providing the service or the funds.

3. If for any reason this Agreement should be terminated prior to the completion of the Projects and in any case at the completion of the Projects, all improvements shall belong to the Utilities. To the extent that title is acquired to any personal property or real property used or placed in or upon the Projects, title to same shall belong to the Utilities. Bond funds and other budgeted items with respect to the Project from either entity shall at all times remain titled to the entity.

4. The Projects shall be administered by a joint board made up of two representatives. One representative shall be appointed by the ACRC and one representative shall be appointed by the Utilities. If a disagreement arises, it shall be settled by the Judge of the Circuit Court for the 38th Judicial District.

5. Nothing contained herein shall require the ACRC to contribute more funds to the Project than the proceeds of the Tax Incremental Financing bond issued in furtherance thereof. If additional funds are required to complete the Project for any reason, and the parties cannot agree as to the source of said funds, this Agreement shall automatically terminate.

6. This Agreement shall become effective upon the approval of same by the Fort Wayne City Council and the Allen County Council and recordation with the Allen County Recorder. Thereafter, the same shall be filed with the State Board of Accounts.

CITY OF FORT WAYNE  
BOARD OF PUBLIC WORKS

By: \_\_\_\_\_  
Linda Buskirk, Chairman

By: \_\_\_\_\_  
Terrance P. McCaffrey

By: \_\_\_\_\_  
C. James Owen

ALLEN COUNTY REDEVELOPMENT COMMISSION

By: \_\_\_\_\_  
Steven P. Bercot, President

By: \_\_\_\_\_  
David A. Myers, Vice President

By: \_\_\_\_\_  
Ann H. Eckrich, Secretary

By: \_\_\_\_\_  
Edward L. Neufer, Member

By: \_\_\_\_\_  
Michael McCollum, Member





## **AGREEMENT**

This Agreement is made and entered into by and between the Allen County Redevelopment Commission (the "ACRC") and Fort Wayne Redevelopment Commission (the "FWRC") made this \_\_\_\_\_ day of \_\_\_\_\_, 1996.

### **WITNESSETH:**

**WHEREAS**, the ACRC constitutes a political subdivision and has certain statutory authority to provide services in accordance with its authorizing statutes to unincorporated Allen County, and

**WHEREAS**, the FWRC constitutes a political subdivision and has certain statutory authority to provide services in accordance with its authorizing statutes to the City of Fort Wayne, and

**WHEREAS**, the City of Fort Wayne currently provides utility services (the "Utilities") to the General Motors Tax Incremental Financing District (the "GM TIF") which district was created by and lies within the ACRC area of authority, and

**WHEREAS**, to adequately serve said District and to provide for future development therein, it is necessary for certain infrastructure improvements to be made to the Utilities outside of the territorial jurisdiction of the ACRC, and

**WHEREAS**, the parties agree that said infrastructure improvements would benefit the community as a whole and would be in the best interests of the parties hereto to enter into an agreement so as to allow the ACRC to fund the improvements to the Utilities infrastructure from funds derived from the GM TIF zone, and

**WHEREAS**, the proposed improvements to the infrastructure of the Utilities lies within

the jurisdiction of the FWRC and outside of the jurisdiction of the ACRC but the parties hereto are willing to enter into an agreement in accordance with I.C. 36-7-14-14 to allow the ACRC to perform functions within the jurisdiction of the FWRC in accordance with I.C. 36-7-14-12.2.

**NOW, THEREFORE**, in consideration of the mutual promises, covenants and agreements set forth hereinafter, the parties agree as follows:

1. The parties agree that the ACRC may use any and all powers otherwise granted to the FWRC pursuant to I.C. 36-7-14-12.2 to finance and construct the infrastructure improvements set forth in Exhibits "A" and "B" within the territorial jurisdiction of the FWRC.
2. Upon completion of the projects outlined above, this Agreement shall automatically terminate.
3. Except for the grant made by the FWRC to ACRC for the above referenced projects, no transfer of authority shall otherwise be implied by the execution of this Agreement.

FORT WAYNE REDEVELOPMENT COMMISSION

By: \_\_\_\_\_  
John B. Powell, President

ALLEN COUNTY REDEVELOPMENT COMMISSION

By: \_\_\_\_\_  
Steven P. Bercot, President